

Contact: Brad Berg

FY 2025 BUDGETS – UNIVERSITIES, BOARD OFFICE AND LAKESIDE LABORATORY

Actions Requested: Consider approval of the Regent universities, Board Office and Lakeside Laboratory FY 2025 budgets as presented in this docket item.

Executive Summary:

Consistent with the Board’s strategic plan to demonstrate public accountability and effective stewardship of resources, all institutional budgets are approved annually by the Board.

The Regent institutional budgets include two basic types of funds:

- General operating funds include operational appropriations, interest income, tuition revenue, reimbursed indirect costs, and income generated from sales and services.
- Restricted funds are specifically designated or restricted for a particular purpose or enterprise and include capital and tuition replacement appropriations, gifts, plant funds, sponsored funding from federal and private sources and athletics as well as other auxiliary or independent functions such as residence, parking and utility systems.

This memorandum incorporates numerous aspects of budgets for the Regent Enterprise. There are separate attachments that include budget details specific to each university and the Board Office. While the residence systems and athletics are included as a part of the restricted budgets, individual budgets for these auxiliary units are contained in this memorandum.

The proposed FY 2025 Regent enterprise consolidated \$7.8 billion budget is summarized below. The table on page 8 includes the detailed budgeted revenues and expenditures from all funds for Iowa’s public universities.

FY 2025 REGENT ENTERPRISE BUDGET (\$ in millions)

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>Total</u>
General Education - Operating	822.8	725.5	174.2	1,722.5
Special Purpose - Operating	21.0	76.9	3.5	101.4
UIHC Units - Operating*	2,771.3			2,771.3
Restricted	2,155.5	919.8	164.8	3,240.1
Total	5,770.6	1,722.2	342.5	7,835.3

*includes UIHC, Psych Hosp, CDD, SCHS

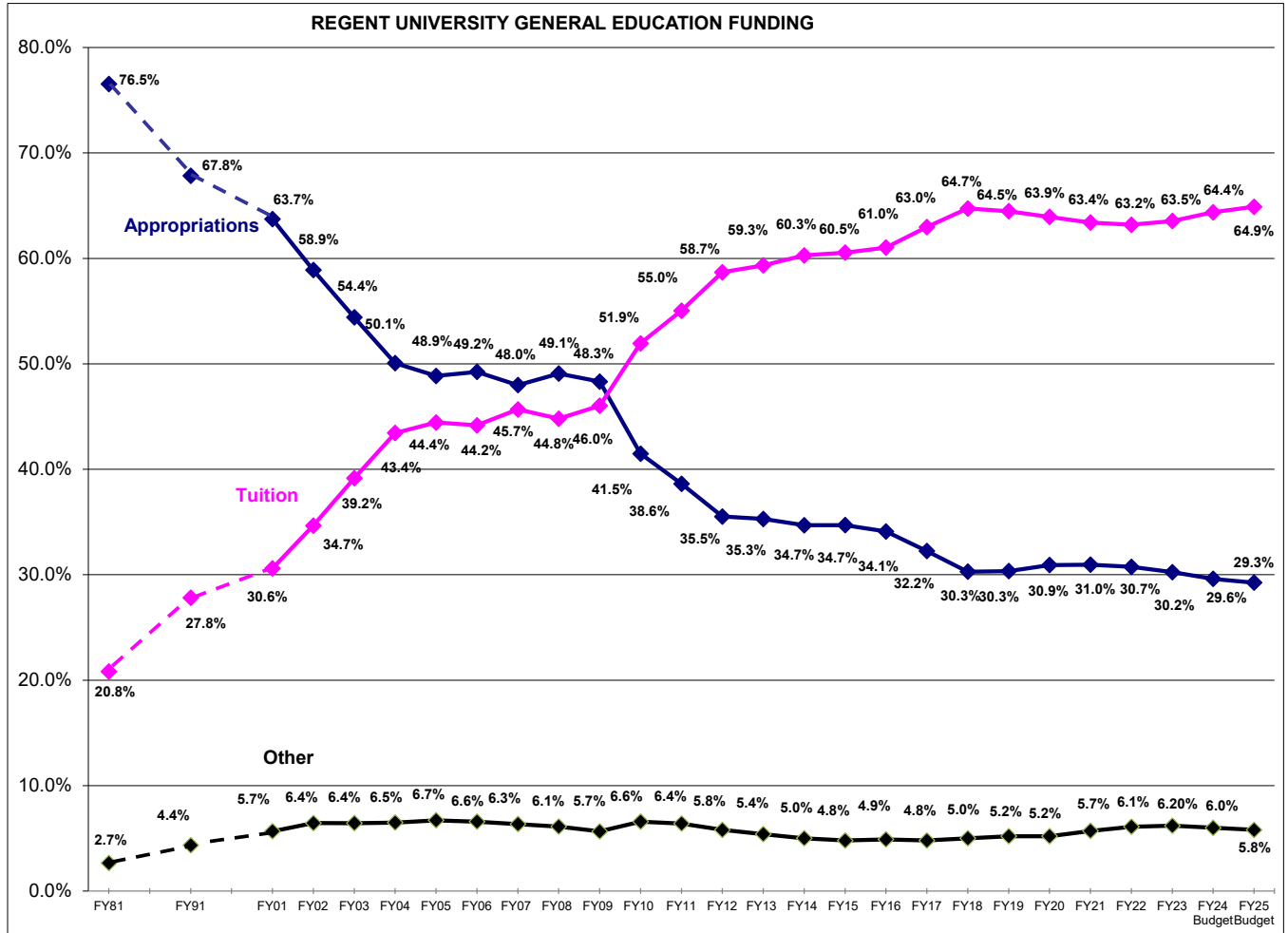
General University (Education) Operating Budgets

The primary revenue sources providing FY 2025 general operating funds for Iowa’s public universities are state appropriations and tuition revenue.

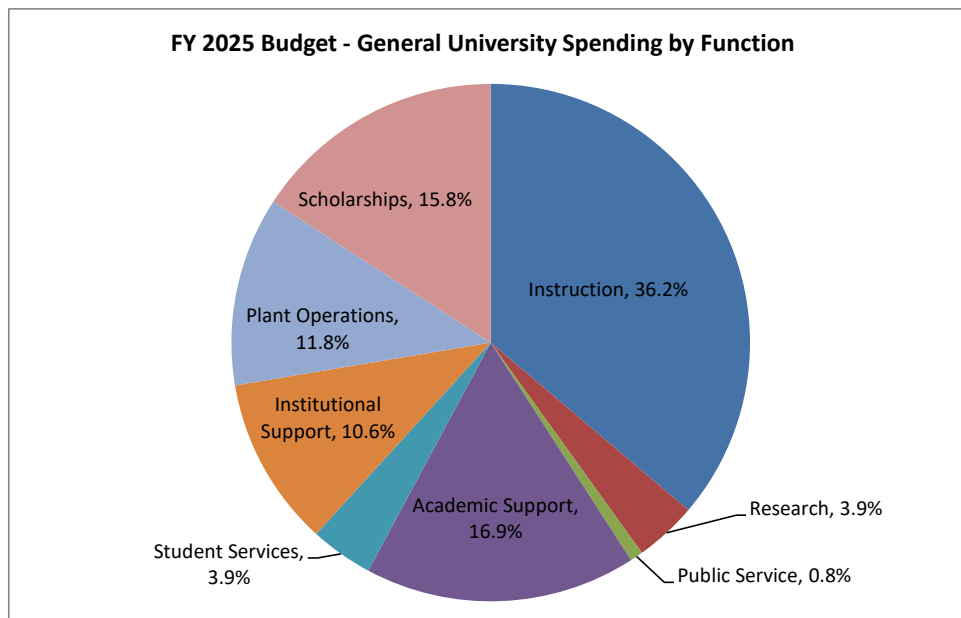
At its September 2023 meeting, the Board requested an increase for FY 2025 of \$14.8 million for the general university appropriations that support Regent higher education. As enacted by the General Assembly, the general university appropriations were increased \$12.3 million (2.5% increase) for FY 2025 when compared to the current year.

The general university operating budgets were assembled based on the tuition rates approved by the Board at its June 2024 meeting. The approved rates included base undergraduate resident increases of 3.0% for SUI and ISU and 2.0% for UNI with various increases for non-resident, graduate/professional students and differential rates for certain higher-cost programs.

State operating appropriations and tuition revenue have historically provided the core operating funds for the Regent universities. Dynamic changes in state funding patterns significantly altered the proportion of these revenue sources for higher education as seen in the chart on the following page.



In addition to the General University budgets presented on pages 5-6 by expenditure type, the attachments contain an expense summary by the following functional classifications as defined by the National Association of College and University Business Officers. General fund expenses related to instruction, academic support, and scholarships and fellowships comprise approximately 70% of the combined general university expenses.



Each university also has several special purpose units that receive state funding for operations. Examples include the Hygienic Laboratory and the Iowa Flood Center at SUI, the Agriculture Experiment Station and Cooperative Extension at ISU, and the Foundry 4.0 Center at UNI. The attachments include proposed budgets for all university special purpose units.

Restricted Budgets

The university FY 2025 restricted fund budgets include capital funding approved by the General Assembly for the following project.

- UNI – Industrial Tech Center \$ 3,850,000
- SUI – Lakeside Laboratory \$ 3,000,000

In addition, the university restricted fund budgets include an allocation of the \$26.5 million tuition replacement appropriation to replace the tuition revenue pledged for Academic Building Revenue Bonds. The budgets include the following allocation of the tuition replacement appropriation to meet the annual debt service needs for these bonds for FY 2025.

- SUI \$12,929,013
- ISU \$10,267,261
- UNI \$ 3,303,726
 \$26,500,000

The restricted budgets also include \$3.0 million (allocated 35/35/30 among SUI, ISU and UNI) for the Regent Innovation Fund for economic development initiatives such as technology commercialization, entrepreneurship, and business growth. The universities will provide a one-to-one match of these funds. The following amounts are included in each university’s restricted budget.

- SUI \$1,050,000
- ISU \$1,050,000
- UNI \$ 900,000
 \$3,000,000

Residence System Budgets

Residence systems, which include dining services, are self-supporting operations that do not receive state-appropriated funds for operations or capital improvements; they are included in the restricted fund budgets. Residence system FY 2025 revenue budgets total approximately \$235 million for the three universities.

The Board received FY 2025 residence system preliminary budgets as part of the residence system governance report presented in February. The final proposed residence system budgets for ISU and UNI remain identical to the preliminary budget previously received by the Board. The final proposed residence system budget for SUI was updated to reflect revised revenue and expense projections. The residence systems expect to house approximately 19,900 students this fall.

University Residence Systems FY 2025 Budgets				
	SUI		ISU	UNI
	<u>Preliminary</u>	<u>Final</u>	<u>Preliminary & Final</u>	<u>Preliminary & Final</u>
Revenues	\$ 93,172,237	\$ 93,046,882	\$ 107,616,524	\$ 34,469,825
Expenditures for Operations	65,443,239	66,884,794	80,140,502	26,743,782
Debt Service and Mandatory Transfers	<u>12,071,213</u>	<u>12,071,213</u>	<u>14,675,440</u>	<u>4,380,831</u>
Net Revenues after Debt Service and Mandatory Transfers	<u>\$ 15,657,785</u>	<u>\$ 14,090,875</u>	<u>\$ 12,800,582</u>	<u>\$ 3,345,212</u>

Athletic Budgets

Each of the Regent universities hosts a multitude of intercollegiate athletic events that attract many alumni and friends to the campuses each year. The athletic departments are independent entities included in the restricted fund budgets. The proposed FY 2025 athletic revenue budgets total \$279 million. Details for each university’s athletic budget are included in the attachments.

	FY 2025
	<u>Athletic Budgets</u>
SUI	150,474,811
ISU	114,225,500
UNI	<u>14,661,926</u>
Total	279,362,237

Salary Policies

The Board of Regents employs about 5,700 AFSCME-covered staff in blue collar, security, technical, clerical and education units at the three universities. The statewide collective bargaining agreement with AFSCME provides a 3.0% across-the-board increase on July 1, 2024.

Under the negotiated contract, public safety merit staff will receive a 6% contractual increase on July 1, 2024. Public safety merit staff eligible for step increases will also receive a 5% increase beginning with their eligibility date.

At the Board’s June 2024 meeting, the Regents authorized the Executive Director to approve, in consultation with Board leadership, the salary policies for the non-organized faculty and staff for each institution. A summary of each institution’s policy is provided in the attachments.

IOWA BOARD OF REGENTS
FY 2025 GENERAL FUND OPERATING BUDGETS

	University of Iowa									
	Gen. Univ.	Univ. Hosp.	Psych. Hosp.	CDD	Oakdale Campus	Hyg. Lab	Family Prac.	SCHS	Special Purpose	Subtotal
APPROPRIATIONS										
General	\$223,496,355				\$2,103,819	\$4,822,610	\$2,220,598	\$634,502	\$9,559,090	\$242,836,974
RESOURCES										
Federal Support										-
Interest	1,250,000	37,320,000	-40,000	600,000		1,000	7,500			39,138,500
Tuition and Fees	529,197,072									529,197,072
Reimb. Indirect Costs	68,893,870	3,217,916	1,315,484	165,720	676,181	19,845				74,289,016
Sales and Service		2,679,863,817	36,474,580	8,067,219		1,604,899		110,868		2,726,121,383
Other Income	6,000	3,362,817	255,408							3,624,225
Subtotal - Inst. Income	599,346,942	2,723,764,550	38,005,472	8,832,939	676,181	1,625,744	7,500	110,868	-	3,372,370,196
TOTAL REVENUES	\$822,843,297	\$2,723,764,550	\$38,005,472	\$8,832,939	\$2,780,000	\$6,448,354	\$2,228,098	\$745,370	\$9,559,090	\$3,615,207,170
EXPENDITURES										
Fac. & Inst. Off. Salaries	\$305,650,780	\$114,526,102	\$35,386	\$443,885		\$60,278		\$110,605	\$3,416,124	\$424,243,160
Prof. & Sci. Staff Salaries	200,314,338	942,274,950	22,903,315	5,091,672	126,000	3,470,952	391,032	632,412	3,457,934	1,178,662,605
General Service Staff Sal.	35,797,205	239,658,910	8,818,468	1,113,355	968,000	914,795			-	287,270,733
Hourly Wages	6,400,000	11,188,169	148,848	84,004		1,342			155,693	17,978,056
Subtotal - Salaries	548,162,323	1,307,648,131	31,906,017	6,732,916	1,094,000	4,447,367	391,032	743,017	7,029,751	1,908,154,554
Supplies and Services	47,602,748	1,355,133,445	4,125,059	1,800,637	342,000	1,791,556	1,837,066	2,353	1,902,273	1,414,537,137
Library Acquisitions	17,584,574									17,584,574
Rentals	7,084,734	8,937,087	5,328	7,558		166,312			46,454	16,247,473
Utilities	49,125,190	44,278,826	1,953,773	243,662	996,000	42,119				96,639,570
Bldg. Repairs	27,360,733	7,767,061	15,295	48,166	348,000	1,000				35,540,255
Auditor of State Reimb.	850,000									850,000
Equipment	4,983,471								-	4,983,471
Student Aid	120,089,524								580,612	120,670,136
Subtotal - Other Expenses	274,680,974	1,416,116,419	6,099,455	2,100,023	1,686,000	2,000,987	1,837,066	2,353	2,529,339	1,707,052,616
TOTAL EXPENDITURES	\$822,843,297	\$2,723,764,550	\$38,005,472	\$8,832,939	\$2,780,000	\$6,448,354	\$2,228,098	\$745,370	\$9,559,090	\$3,615,207,170

IOWA BOARD OF REGENTS
FY 2025 GENERAL FUND OPERATING BUDGETS (continued)

	Iowa State University					University of Northern Iowa			Operating Total
	Gen. Univ.	Exp. Station	Coop. Ext.	Special Purpose	Subtotal	Gen. Univ.	Special Purpose	Subtotal	
APPROPRIATIONS									
General	\$178,445,037	\$29,462,535	\$18,157,366	\$13,291,354	\$239,356,292	\$101,894,146	\$3,525,929	\$105,420,075	\$587,613,341
RESOURCES									
Federal Support		5,699,804	10,252,231		15,952,035				15,952,035
Interest	1,000,000				1,000,000	706,900		706,900	40,845,400
Tuition and Fees	519,133,000				519,133,000	69,526,729		69,526,729	1,117,856,801
Reimb. Indirect Costs	26,903,000				26,903,000	1,600,000		1,600,000	102,792,016
Sales and Service						434,393		434,393	2,726,555,776
Other Income					-			-	3,624,225
Subtotal - Inst. Income	547,036,000	5,699,804	10,252,231	-	562,988,035	72,268,022	-	72,268,022	4,007,626,253
TOTAL REVENUES	\$725,481,037	\$35,162,339	\$28,409,597	\$13,291,354	\$802,344,327	\$174,162,168	\$3,525,929	\$177,688,097	\$4,595,239,594
EXPENDITURES									
Fac. & Inst. Off. Salaries	\$251,814,962	\$18,037,411	\$5,734,711	\$5,407,134	\$280,994,218	\$63,483,737	\$138,995	\$63,622,732	768,860,110
Prof. & Sci. Staff Salaries	174,819,904	5,048,075	20,346,047	5,188,836	205,402,861	41,509,982	1,466,275	42,976,257	1,427,041,723
General Service Staff Sal.	31,621,084	446,947	223,133	57,609	32,348,772	21,677,264	157,390	21,834,654	341,454,159
Hourly Wages	4,021,080			15,744	4,036,824	1,674,678	71,795	1,746,473	23,761,353
Subtotal - Salaries	462,277,029	23,532,433	26,303,891	10,669,323	522,782,676	128,345,661	1,834,455	130,180,116	2,561,117,346
Supplies and Services	66,464,862	7,327,906	2,105,706	2,572,031	78,470,505	15,615,844	130,666	15,746,510	1,508,754,152
Library Acquisitions	10,641,760				10,641,760	1,918,249		1,918,249	30,144,583
Rentals					-	872,421		872,421	17,119,894
Utilities	24,703,101	4,250,000			28,953,101	9,153,487		9,153,487	134,746,158
Bldg. Repairs	17,919,764			50,000	17,969,764	2,000,000		2,000,000	55,510,019
Auditor of State Reimb.	1,044,000				1,044,000	434,000		434,000	2,328,000
Equipment	3,039,905				3,039,905	455,035	60,808	515,843	8,539,219
Student Aid	139,390,616	52,000			139,442,616	15,367,471	1,500,000	16,867,471	276,980,223
Subtotal - Other Expenses	263,204,008	11,629,906	2,105,706	2,622,031	279,561,651	45,816,507	1,691,474	47,507,981	2,034,122,248
TOTAL EXPENDITURES	\$725,481,037	\$35,162,339	\$28,409,597	\$13,291,354	\$802,344,327	\$174,162,168	\$3,525,929	\$177,688,097	\$4,595,239,594

IOWA BOARD OF REGENTS
FY 2025 RESTRICTED FUNDS BUDGETS

	SUI	ISU	UNI	Restricted Total
APPROPRIATIONS				
Innovation Fund	\$1,050,000	\$1,050,000	\$900,000	\$3,000,000
Tuition Replacement	12,929,013	10,267,261	3,303,726	26,500,000
Capital	3,000,000		3,850,000	6,850,000
Other	1,213,297	250,000		1,463,297
RESOURCES				
Federal Support	369,945,109	240,540,000	20,000,000	630,485,109
Interest	57,694,263	2,000,000	5,433,131	65,127,394
Tuition and Fees	92,387,130	46,500,000	23,337,000	162,224,130
Reimbursed Indirect Costs	30,165,602	17,400,000		47,565,602
Sales and Service	1,041,213,392	103,100,000	90,000,000	1,234,313,392
Other Income	545,867,710	498,701,000	18,000,000	1,062,568,710
Subtotal - Inst. Income	2,137,273,206	908,241,000	156,770,131	3,202,284,337
TOTAL REVENUES	\$2,155,465,516	\$919,808,261	\$164,823,857	\$3,240,097,634
EXPENDITURES				
Fac. & Inst. Off. Salaries	\$527,185,182	\$86,300,000	\$6,844,600	\$620,329,782
Prof. & Sci. Staff Salaries	484,445,898	193,300,000	21,822,878	699,568,776
General Service Staff Salaries	53,159,451	51,000,000	9,426,900	113,586,351
Hourly Wages	37,331,965	25,800,000	4,454,700	67,586,665
Subtotal - Salaries	1,102,122,496	356,400,000	42,549,078	1,501,071,574
Prof. and Scientific Supplies	491,566,974	283,933,261	57,761,443	833,261,678
Library Acquisitions	122,000	30,000		152,000
Rentals	18,578,423	4,225,000	775,000	23,578,423
Utilities	14,035,275	18,000,000	7,920,000	39,955,275
Building Repairs	11,803,307	12,000,000	2,100,000	25,903,307
Auditor of State				-
Equipment	142,960,852	19,500,000	1,500,000	163,960,852
Student Aid	89,538,597	92,800,000	21,600,000	203,938,597
Debt Service	111,806,931	46,910,000	8,649,150	167,366,081
Plant Capital	172,930,661	86,010,000	21,969,186	280,909,847
Subtotal - Other Expenses	1,053,343,020	563,408,261	122,274,779	1,739,026,060
TOTAL EXPENDITURES	\$2,155,465,516	\$919,808,261	\$164,823,857	\$3,240,097,634

IOWA BOARD OF REGENTS
FY 2025 ALL FUNDS BUDGETS

	SUI	ISU	UNI	All Funds Total
APPROPRIATIONS				
General	\$242,836,974	\$239,356,292	\$105,420,075	\$587,613,341
Innovation	1,050,000	1,050,000	900,000	3,000,000
Tuition Replacement	12,929,013	10,267,261	3,303,726	26,500,000
Capital	3,000,000	-	3,850,000	6,850,000
Other	1,213,297	250,000	-	1,463,297
RESOURCES				
Federal Support	369,945,109	256,492,035	20,000,000	646,437,144
Interest	96,832,763	3,000,000	6,140,031	105,972,794
Tuition and Fees	621,584,202	565,633,000	92,863,729	1,280,080,931
Reimb. Indirect Costs	104,454,618	44,303,000	1,600,000	150,357,618
Sales and Service	3,767,334,775	103,100,000	90,434,393	3,960,869,168
Other Income	549,491,935	498,701,000	18,000,000	1,066,192,935
Subtotal - Inst. Income	5,509,643,402	1,471,229,035	229,038,153	7,209,910,590
TOTAL REVENUES	\$5,770,672,686	\$1,722,152,588	\$342,511,954	\$7,835,337,228
EXPENDITURES				
Fac. & Inst. Off. Salaries	\$951,428,342	\$367,294,218	\$70,467,332	\$1,389,189,892
Prof. & Sci. Staff Salaries	1,663,108,503	398,702,861	64,799,135	2,126,610,499
General Service Staff Sal.	340,430,184	83,348,772	31,261,554	455,040,510
Hourly Wages	55,310,021	29,836,824	6,201,173	91,348,018
Subtotal - Salaries	3,010,277,050	879,182,676	172,729,194	4,062,188,920
Prof. and Scientific Supp.	1,906,104,111	362,403,766	73,507,953	2,342,015,830
Library Acquisitions	17,706,574	10,671,760	1,918,249	30,296,583
Rentals	34,825,896	4,225,000	1,647,421	40,698,317
Utilities	110,674,845	46,953,101	17,073,487	174,701,433
Bldg. Repairs	47,343,562	29,969,764	4,100,000	81,413,326
Auditor of State Reimb.	850,000	1,044,000	434,000	2,328,000
Equipment	147,944,323	22,539,905	2,015,843	172,500,071
Student Aid	210,208,733	232,242,616	38,467,471	480,918,820
Debt Service	111,806,931	46,910,000	8,649,150	167,366,081
Plant Capital	172,930,661	86,010,000	21,969,186	280,909,847
Subtotal - Other Expenses	2,760,395,636	842,969,912	169,782,760	3,773,148,308
TOTAL EXPENDITURES	\$5,770,672,686	\$1,722,152,588	\$342,511,954	\$7,835,337,228

FY 2025 BUDGETS – UNIVERSITY OF IOWA

The University of Iowa’s academic, administrative, and shared governance leaders continue their efforts to refine the value-based budgeting process. The budget model empowers unit leaders to prioritize funding to support their respective missions and to improve financial transparency. The following principles continue to guide decisions in forming the FY 2025 budget:

- Budget Model – Principles
 - Transparent
 - Predictable
 - Supports the Strategic Plan and rewards growth
- Budget Model – Goals
 - Support collective/shared initiatives
 - Encourage collaboration
 - Be consistent and comprehensible

This collaborative process and budget model allowed the University to develop a General Education Fund budget that will support the 2022-2027 Strategic Plan priorities of excellence in teaching and learning, innovative research and creative discovery, welcoming and inclusive environment, holistic well-being and success, and transformative societal impact.

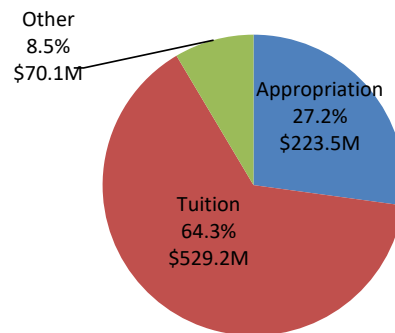
All other University of Iowa FY 2025 budgets were developed simultaneously with the General Education Fund budget and utilized similar policies and budget guidelines. The budget also considered important financial challenges that will continue to impact the University in FY 2025 including recruiting and retaining excellent faculty and staff, and the impact of high inflationary increases in the costs of nearly all goods and services.

SUI FY 2025 General University Operating Budget

Tuition revenues comprise 64.3% of the \$823 million General University revenue budget with 27.2% coming from state appropriations. Projected changes in these revenue sources, as well as indirect cost recoveries and interest income, result in a \$20.8 million increase in revenue, or 2.6% more than the FY 2024 budget.

FY 2024 Budget	\$ 802.0 million
Revenue Changes:	
Base Appropriation	5.5 million
Tuition	16.8 million
Indirect Cost Recoveries/Interest	<u>(1.5) million</u>
Revenue Change	20.8 million
FY 2025 Budget	\$ 822.8 million

SUI General University FY25 Revenue Budget



After being flat-funded for FY 2024, the Iowa General Assembly approved a \$5.5 million increase (2.5%) in SUI's General University appropriation for FY 2025.

At its June 2024 meeting, the Board approved a 3.0% tuition increase (\$270) to the base undergraduate resident rate, a 1.3% increase (\$395) to the base nonresident rate and varying increases for other student categories and certain higher cost programs. SUI anticipates slightly larger incoming freshman class than the previous year with a higher percentage of non-resident students. The enrollment projections for FY 2025 combined with the approved tuition rates result in a budgeted increase of \$16.8 million (3.3%) in tuition revenue.

The University is estimating a reduction in indirect cost recoveries to more accurately reflect the actual recoveries that is partially offset by an expected increase in interest income. The net budgetary impact of these revenue sources is a decrease of \$1.5 million.

During FY 2025, academic and administrative units will use the budget allocation model to identify, evaluate and consider whether to reprioritize or modify activities in which state resources are no longer sufficient to support these functions. The University will continue to ensure that available resources align with the University's strategic plan and support financial viability. Scarce resources will be directed to student success, research and economic development programs.

The University implemented the terms of the AFSCME and COGS (graduate assistants) collective bargaining agreements. For AFSCME and COGS staff, there is a contractual increase of 3.0% on July 1, 2024. Merit exempt officers are expected to follow the same increases and pay practices. There will also be a 1% merit increase for eligible AFSCME staff. For faculty and P&S staff, units will provide merit increases in a range of 2% to 3%.

In June 2024, the University completed negotiations with the federal government establishing the FY 2025 fringe benefit rates for each employee category. For FY 2025, fringe rate changes on the existing General Education Fund compensation base will decrease costs a total of \$0.9 million. This is primarily due to lower FY 2025 fringe benefit rates for P&S and faculty categories.

Due to expected changes in enrollment, the student aid budget will increase by \$2.8 million. SUI is committed to identifying new ways of meeting the needs of its students focusing on sustainable means of helping students graduate on time and receive the highest value education.

In March 2020, SUI received approval from the Board of Regents to enter into a 50-year public-private partnership involving its utility system with ENGIE North America and Meridiam. Under the agreement with ENGIE and Meridiam, the University maintains ownership of its utility system and ENGIE performs all operations with respect to steam, cooling, water and electricity. Overall, general fund utility expenses are expected to increase approximately 5%.

The budget allocation model provides an opportunity for colleges and administrative units to request additional funding beyond incremental revenue changes. Cyber Security and a new Research Security Program are two examples of proposals that were approved in for FY 2025.

The \$823 million General University budget allocated by function is shown below. Expenses related to instruction, academic support and scholarships and fellowships comprise 70% of all general university expenses.

General University Spending By Function (\$ in thousands)		
	<u>FY 2025</u>	<u>% Total</u>
Instruction	307,336	37.4%
Research	45,020	5.5%
Public Service	4,657	0.6%
Academic Support	145,571	17.7%
Student Services	25,783	3.1%
Institutional Support	58,681	7.1%
Operations & Maintenance of Plant	115,705	14.1%
Scholarships & Fellowships	120,090	14.6%
Total	822,843	100.0%

University of Iowa Hospitals and Clinics (UIHC)

The proposed FY 2025 UIHC operating budget of \$2.7 billion is provided on page 5.

In FY 2025, the strategic focus for UIHC will continue to center on the offering of a broad spectrum of clinical services to all patients, serving as the primary teaching hospital for the University, and providing a base for innovative research to improve health care. The following three commitments are identified in the strategic plan and were key drivers in developing the FY 2025 operating budget.

1. Innovative Care

- Care Delivery – UIHC will be recognized as a state and national leader in efficient health care delivery models that emphasize quality-driven patient experience.
- Clinical Programs – Select UIHC clinical services will be leaders in the state and national market by offering cutting-edge clinical services, robust clinical research and strong training opportunities.

2. Excellent Service

- Patient Satisfaction – Patients and families will be highly satisfied with their entire UIHC experience in all settings.
- Referring Physician Satisfaction – UIHC will be recognized by referring physicians for its efficient and effective support to their patients.
- Staff, Faculty and Volunteer Engagement – Staff, faculty and volunteers are valued and engaged in the pursuit of UIHC’s vision.

3. Exceptional Outcomes

- Safety – UIHC will provide a continuously improving, safe environment for all patients and staff at all times.
- Clinical Outcomes – UIHC will use a continuous improvement process to achieve exceptional clinical outcomes.

Annually, the healthcare industry has to overcome challenges as a result of inflationary increases exceeding payor rate changes. In recent years, these challenges have been coupled with staffing shortages that have required a high utilization of agency staff to supplement full-time staff. Going into FY25, UI Health Care will be working to effectively integrate two new hospital campuses into its operations. Downtown campus integration has gone well since the acquisition was complete in January 2024. The necessity to continue to maximize revenue opportunities, ensure ease of access to our services, ensure the safety of our faculty, staff and patients, improve throughput, further enhance service excellence and be even more cost efficient in our operations continues to be essential.

Expense inflation (salary and non-salary) continues to outpace the level of payor rate increases. An average salary increase of 3% is projected for next year from base salary increases. Recruitment and retention remains a key focus to fill critical vacancies in staff. As a result of staffing shortages previously mentioned, UI Health Care has had to overcome vacancy challenges by investing in higher cost premium pay for staff as well as temporary agency labor. Agency costs have continued to rise in conjunction with nationwide healthcare staffing shortages. While we continue to focus on standardizing product utilization and implement supply chain savings initiatives, medical and surgical supply costs are estimated to rise almost 4% due to standard inflationary increases. Pharmaceutical cost increases are anticipated in the 4% range.

The Service Employees International Union (SEIU) represents the University of Iowa's tertiary health care professional and scientific employees bargaining unit. The contract agreement for FY 2025 provides for an increase of 3.0% beginning July 1, 2024.

UIHC predicts continued high demand for its services. Excluding downtown campus activity that was included for only a portion of FY 2024, inpatient acute admissions are expected to increase approximately 2% from FY 2024 levels while outpatient activity is anticipated to increase approximately 5%. The case mix index, reflective of the acuity of care required by inpatients, is anticipated to remain in alignment with FY 2024.

Additional net revenues will be required in FY 2025 to meet a break-even operating margin budget. Part of achieving this additional revenue will occur through projected volume increases, prospective payment rate increase, and a chargemaster rate increase of 6.0% (approved by the Board in June to be effective July 1, 2024). Market data indicates that University of Iowa Health Care charges continue to be below the 50th percentile of academic medical centers

Other UIHC units include the Psychiatric Hospital, the Center for Disabilities and Development (CDD) and Specialized Child Health Services (SCHS). The proposed combined FY 2025 budget for these units is \$47.6 million and are provided on page 5.

SUI FY 2025 Special Purpose Appropriations

The following table lists SUI’s special purpose units that received state operating funding for FY 2025. With the exception of the Iowa Flood Center, all SUI special purpose units were flat-funded when compared to FY 2024. The following pages contain unit descriptions and budgets for these units.

<u>SUI SPECIAL PURPOSE UNITS</u>	STATE APPROPRIATIONS		<u>Difference</u>
	<u>FY 2024</u>	<u>FY 2025</u>	
OAKDALE CAMPUS	2,103,819	2,103,819	-
HYGIENIC LABORATORY	4,822,610	4,822,610	-
FAMILY PRACTICE	2,220,598	2,220,598	-
SCHS - CANCER, HEMOPHILIA, HIGH RISK INFANT	634,502	634,502	-
PRIMARY HEALTH CARE	624,374	624,374	-
STATE OF IOWA CANCER REGISTRY	143,410	143,410	-
SUB ABUSE CONSORTIUM	53,427	53,427	-
BIOCATALYSIS	696,342	696,342	-
BIRTH DEFECTS REGISTRY	36,839	36,839	-
ECONOMIC DEVELOPMENT	209,279	209,279	-
ONLINE PLACEMENT ACADEMY	463,616	463,616	-
IOWA FLOOD CENTER	1,154,593	1,205,593	51,000
ENTREPRENEURSHIP	2,000,000	2,000,000	-
WATERMAN NONROFIT RESOURCE CENTER	156,389	156,389	-
BIOSCIENCES INNOVATION	1,000,000	1,000,000	-
AG HEALTH AND SAFETY	128,154	128,154	-
COLLEGE OF NURSING	2,800,000	2,800,000	-
JPEC	41,667	41,667	-

➤ SUI Oakdale Campus

The Oakdale Campus budget outlines the distribution of appropriations and other income components to the University of Iowa for the operation of the Oakdale Campus. Budget decisions were made in accordance with goals and objectives set forth in the University Strategic Plan. The Oakdale Campus budget is designed to provide a working environment to stimulate research, outreach and support activities on the Oakdale Campus. This budget supports significant building, utility and maintenance costs associated with space occupied by the State Hygienic Lab and other specialized research facilities.

Salaries for operations and maintenance in the Oakdale Campus include building maintenance, landscape services, custodial services and utilities. Other expenses include equipment, materials and services that are required to maintain an environment to conduct research, primarily used in the building maintenance, landscape services and custodial services operations.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,103,819
Reimb. Indirect Costs	676,181
TOTAL RESOURCES	2,780,000
EXPENDITURES	
Salaries/Benefits	1,094,000
Supplies and Services	342,000
Utilities	996,000
Bldg. Repairs	348,000
TOTAL EXPENDITURES	2,780,000

➤ SUI Hygienic Laboratory

The State Hygienic Laboratory (SHL), established in Iowa Administrative Code, provides public health and environmental testing and surveillance, food safety testing and surveillance, chemical and bioterrorism response, newborn screening and testing, education and training, and applied research. Key partners include the Iowa Department of Public Health, the Iowa Department of Natural Resources, hospitals and clinical labs throughout the state and region, and university researchers. SHL serves all 99 Iowa counties, in addition to providing services from clients across the country.

Obtaining funding continues to be a primary concern for SHL. Funding from all sources has not kept pace with increasing costs for staff benefits, reagents and other supplies. An additional new challenge relates to the current statewide courier contract expiration and the new courier bidding process indicates a substantial increase in expenditures. Recruiting and retaining staff while moving to a high throughput laboratory is critical. The job market for qualified laboratory staff is exceptionally competitive, thus it is imperative for SHL to be able to offer salaries that are comparable to other employers in the same job market. Retention is crucial to avoid the substantial cost of training new staff. Furthermore, a key strategy is for SHL to move to an updated system and obtain new instrumentations to increase testing capacity. SHL continues to work on opportunities for supply cost reduction and revenue enhancement for both fee-for-service testing and increased collaborative grant funding support.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	4,822,610
Interest	1,000
Reimb. Indirect Costs	19,845
Sales and Service	<u>1,604,899</u>
TOTAL RESOURCES	6,448,354
EXPENDITURES	
Salaries/Benefits	4,447,367
Supplies and Services	1,791,556
Rentals	166,312
Utilities	42,119
Bldg. Repairs	<u>1,000</u>
TOTAL EXPENDITURES	6,448,354

➤ SUI Family Practice

The goal of this program is to improve access to primary health care services across the state of Iowa through recruiting and retaining these graduates to practice throughout the state. This program serves as a great example of a successful public – private partnership with over 95% of the financial support provided by the local hospitals and their clinical operations. The state funding supports each UI Affiliated Family Medicine Residency Program across Iowa. Eighty percent of the appropriated funds will fund grants to the UI-affiliated community based family medicine residency training centers consistent with statutory requirements, and the remainder is budgeted for University-sponsored activities in support of the community-based training programs. The Carver College of Medicine Office of Statewide Clinical Education Programs provides educational, administrative and research support for the community sites.

The UI Affiliated Statewide Family Practice Network is now in Davenport, Waterloo, Mason City, Sioux City and two in Des Moines (Iowa Lutheran and Broadlawns). There are currently 48 positions for new family practice residents each year, replacing 48 graduates each year (including UIHC in Iowa City, which does not receive this funding) for a three-year total of 144 residents in training.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,220,598
Interest	<u>7,500</u>
TOTAL RESOURCES	2,228,098
EXPENDITURES	
Salaries/Benefits	391,032
Supplies and Services	<u>1,837,066</u>
TOTAL EXPENDITURES	2,228,098

➤ SUI Specialized Children’s Health Services (SCHS)

State funding for SCHS provides the core support for three programs of crucial importance: the Iowa High Risk Infant Follow-up Program, a community-based Comprehensive Cancer Program, and a Rural Hemophilia Program. Each of these programs provides essential services to support family-centered community-based care to children with special needs. UIHC staff provides individualized medical evaluation and subsequent consultation to community providers to support medical care of the child within the local community. These unique relationships with the community providers are in concert with the University’s strategic plan and support the public health initiatives to provide care and support to these children in their local medical homes.

The funding for these three programs creates access for especially vulnerable populations in Iowa to highly specialized pediatric services in a cost-effective manner. In addition to receiving the benefits of coordinated, comprehensive care in their local communities, patients and their families are able to benefit from improved quality of life in less time lost from work and school, and minimized travel that is necessary for long-term treatment.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	634,502
Sales and Service	<u>110,868</u>
TOTAL RESOURCES	745,370
EXPENDITURES	
Salaries/Benefits	743,017
Supplies and Services	<u>2,353</u>
TOTAL EXPENDITURES	745,370

➤ SUI Primary Health Care

The Carver College of Medicine Office of Statewide Clinical Education Program operates four continuing programs with this appropriation. These initiatives fill important gaps in the state’s efforts to educate, retain and track health professionals. They directly support or complement other operational programs that are educating and training future members of the health professions workforce.

Program allocations are as follows:

- Department of Family Medicine Faculty and Staff \$245,243
- Regional Medical Education Centers Grant Program \$166,600
- Iowa Health Professions Inventory \$ 78,490
- Rural Physician Support Program \$134,041

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	624,374
EXPENDITURES	
Salaries/Benefits	449,517
Supplies and Services	<u>174,857</u>
TOTAL EXPENDITURES	624,374

➤ SUI State of Iowa Cancer Registry

In 2024, it is expected that 21,000 new cancers will be diagnosed among Iowa residents, and an estimated 6,100 Iowans will die from cancer. Cancer accounts for about one-fifth of all causes of death. Much work is needed to decrease the burden of cancer among Iowans. Currently, Iowa ranks #2 in the US for new cases of cancer (incidence) of all cancers combined, is one of only six states in the US with a significant increase in incidence from 2016-2020 and has the highest rate of increase among these six states.

Statewide cancer incidence data are available due to the existence of the Iowa Cancer Registry (ICR). Since 1973, the ICR has been a member of the National Cancer Institute’s prestigious Surveillance, Epidemiology and End Results (NCI SEER) Program. Iowa represents rural agricultural and Midwestern populations and provides data included in many national NCI publications. A follow-up program tracks more than 99% of the cancer survivors diagnosed since 1973.

The existence of the ICR allows for the study of the cancer experience of Iowans and focuses national attention and research dollars on this issue. Currently, for every dollar the state of Iowa invests in the ICR, approximately, \$32.43 of federal funds are returned to Iowa through the NCI SEER contract. The presence of the ICR and its database have helped attract numerous research projects and funds to Iowa from other federal agencies such as the Environmental Protection Agency, the Centers for Disease Control and Prevention, and the National Institutes of Health. Annually, several millions of dollars are received from these agencies that are directly attributable to the existence of the ICR. The ICR also provides numerous educational and experiential opportunities for SUI students.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	143,410
EXPENDITURES	
Salaries/Benefits	143,410

➤ SUI Substance Abuse Consortium

The Iowa Consortium for Substance Abuse Research and Evaluation (Consortium) is an alliance committed to strengthening substance abuse prevention and intervention activities through collaborative research. The Consortium conducts program evaluation and research, and disseminates findings to professionals in the field, public policy makers and others interested in evaluation and research. The Consortium collaborates with representatives from SUI, UNI, ISU; state departments of Public Health, Health and Human Services, the Governor’s Office of Drug Control Policy, the Iowa Judicial Branch; and representatives from local substance use disorder service agencies.

The Consortium facilitates multidisciplinary research to evaluate substance abuse prevention and treatment efforts in the State of Iowa. Research and evaluation activities involve practitioners, treatment providers, state agency representatives, government policymakers, and researchers from higher education institutions.

In the coming year, the Consortium will continue its unique capacity for interdisciplinary alcohol and drug research and evaluation in Iowa.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	53,427
EXPENDITURES	
Salaries/Benefits	53,427

➤ SUI Center for Biocatalysis and Bioprocessing (CBB)

CBB is an interdisciplinary academic research center at the University of Iowa. Its objectives are to: a) enhance faculty and student development in the broad areas of biocatalytic science and bioprocess engineering, b) drive innovative pilot-scale biomanufacturing processes, c) be an academic leader in promoting student careers in biotechnology through unique educational programs, and d) advance University intellectual property by accelerating time to market of bio-products derived from basic academic discoveries.

The Center’s activities stem from a group of scientists, laboratory personnel, graduate students and postdoctoral associates focused on creation and dissemination of knowledge in biocatalytic science. The academic group is recognized for its scientific talent that has secured in excess of \$15 million annually in extramural research support. The Center operates a long-standing NIH-funded Training Grant in Biotechnology (recently renewed on July 1, 2024 for another five years). A portion of the Center’s operating budget supplements these NIH fellowships and supports additional fellowships for top caliber graduate students across academic disciplines. The Center also provides resources for undergraduate students in the form of employment within the Center as well as with a hands-on instruction. A CBB Student Affiliates program is under development to better engage both graduate and undergraduate students to explore careers in biotechnology.

The CBB Bioprocessing Facility is a world-class pilot-scale operation that is unmatched by any other university in the United States. This facility serves as a contract development and manufacturing organization (CDMO) with the objective of creating high value bio-products.

The Center continues to support both workforce development and economic development. The Center helps Iowa startup companies to produce novel biomaterials and to create commercially viable manufacturing processes, both of which enhance investment opportunities. The ability to manufacture bio-based chemicals is central to support of investigative new drug (IND) applications for Iowa entrepreneurs. The Center also works to promote workforce development through novel educational programs, such as courses, curriculum development, and biotech oriented student internships.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	696,342
EXPENDITURES	
Salaries/Benefits	451,931
Supplies and Services	34,369
Rentals	39,954
Aid to Individuals	<u>170,088</u>
TOTAL EXPENDITURES	696,342

➤ SUI Iowa Registry for Congenital and Inherited Disorders

In the United States, every 4½ minutes, a child is delivered with a major birth defect. Major birth defects are abnormalities of an organ structure or function that result in physical disability, mental disability or death. They also are a leading cause of infant mortality and contribute substantially to morbidity and long-term disability, as well as the expenditure of millions of dollars annually in health care costs.

The Iowa Registry for Congenital and Inherited Disorders, or IRCID (formerly the Iowa Birth Defects Registry), was established by the Iowa General Assembly (Chapter 23 of the Iowa Code) in 1983 to maintain statewide surveillance for birth defects and to monitor trends in birth defect occurrence and mortality. Data collected permit comparison of birth defect rates in geographic areas of interest (e.g. cities or counties) with state and national rates. In addition, data is used to monitor trends in birth defect occurrence by population characteristics such as maternal age. Statewide surveillance is necessary to accurately evaluate such trends and to guide health promotion and birth defect prevention efforts in Iowa.

Education and health promotion efforts that use IRCID data include lectures, press releases, articles, public service announcements, and disseminating educational materials. Annually, the IRCID provides a web-based report to disseminate information regarding congenital and inherited disorder surveillance, research, and prevention efforts ongoing in Iowa. Collaborating with the Iowa Department of Public Health, the IRCID implemented a program to engage the Iowa community by providing parents of live born children diagnosed with birth defects resource materials and referrals to appropriate clinical, educational and social services.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	36,839
EXPENDITURES	
Salaries/Benefits	36,153
Supplies and Services	<u>686</u>
TOTAL EXPENDITURES	36,839

➤ SUI Economic Development

The Economic Development appropriation supports the Center for Advanced Drug Development (CADD) and the Research Park & Bioventures Center.

CADD is a division of SUI College of Pharmacy and a component of SUI Pharmaceuticals (UIP). The Center offers contract analytical services to the pharmaceutical and biotechnology industry and is part of UIP - the only comprehensive FDA registered facility in a College of Pharmacy in the United States. UIP offers the unique capability to produce under contract-limited quantities of new medicines under FDA regulations. This capability enables start-up biotech and researchers a path to accelerate novel vaccines and drug from discovery to clinical trials.

This Center, which is an integral resource in the bioeconomy economic development agenda of the state, offers analytical services to complement UIP’s manufacturing services.

CADD addresses a crucial economic need to shorten the lead-time between pharmaceutical discoveries in the laboratory and clinical trials accelerating drug development timelines to product registration and commercialization. Continued investment in the Center will increase economic resources in the strongly competitive pharmaceutical environment. In addition, as the state enhances its investment in biotechnology infrastructure for both animal and human health, the Center will play a major role in SUI’s ability to partner with the biotechnology industry. A thriving CADD as part of UIP will continue to attract outside investment of biotech into the state resulting in creating and retaining high technology positions within Iowa.

Established by the University in 1989, the Research Park houses a nucleus of businesses – including many faculty start-ups. The labor shed for over 1,500 employees of laboratories and companies affiliated with the Park, and the BioVentures Center, the state’s largest wet lab incubator for human health companies. Thirty-two companies are currently located on the Research Park.

Integrating researchers and entrepreneurs is the goal of the Research Park and the BioVentures Center and as such it is critical that the following assets are located and co-located at the Research Park:

- The State-funded laboratory of the Center for Biocatalysis and Bioprocessing (CBB)
- The National Advanced Driving Simulator, a major, fully operational co-venture with the U.S. Department of Transportation
- A state-of-the art, 16,000 sq. ft. Hydraulics Wave Basin facility
- The State’s Hygienic Laboratory

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	209,279
EXPENDITURES	
Salaries/Benefits	203,602
Supplies and Services	<u>5,677</u>
TOTAL EXPENDITURES	209,279

➤ SUI Online Placement Academy

The Iowa Online Advanced Placement Academy (IOAPA), established in 2001, is administered by the University of Iowa’s Belin-Blank Center. The program provides advanced placement (AP) courses to all high schools in Iowa with an emphasis on small/rural schools. IOAPA also provides training for Iowa teachers to deliver AP courses in their home schools and is critical in helping Iowa meet the requirements of the Senior Year plus statute.

At the beginning of the 21st century, Iowa’s students were limited in opportunities for AP courses and exams because of the large numbers of rural and small schools. Approximately 42% of all public school districts in Iowa have a K-12 enrollment of 599 or fewer. Since it is not cost effective to offer AP courses in the rural and small schools, the IOAPA brings advanced learning opportunities to schools throughout Iowa. IOAPA has a special focus on serving rural and small schools so that Iowa geography does not determine educational opportunity.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	463,616
EXPENDITURES	
Salaries/Benefits	129,578
Supplies and Services	305,136
Aid to Individuals	<u>28,902</u>
TOTAL EXPENDITURES	463,616

➤ SUI Iowa Flood Center (IFC)

SUI’s IFC provides Iowans with accurate, state-of-the-art, science-based information to help individuals and communities better understand their flood risks. The IFC’s overarching objective is to improve flood monitoring and prediction capabilities in Iowa, while studying and developing strategies to mitigate flood impacts.

The funding provides support for faculty, staff, researchers and graduate students who dedicate their time to the mission and work of the IFC. The IFC will use the FY 2025 appropriation, along with additional grant funding from other sponsors, to support projects that include:

- Hosting and continuing to refine and add new tools to the Iowa Flood Information System (IFIS)—an easy-to-use online application to provide real-time information on precipitation, soil temperature and moisture, and stream levels across Iowa;
- Continuing to maintain instrumentation and data plans for over 260 stream stage sensors across the state and provide needed technology upgrades;
- Continuing development of high-resolution, web-based community flood inundation maps;
- Providing engineering services and developing preliminary flood assessments for small, under-resourced communities in Iowa to help them better understand local flood challenges;
- Continuing watershed-scale research to understand how small-scale mitigation projects can reduce flood damage in a watershed;
- Educating graduate students;
- Organizing public outreach programs (STEM festivals for K-12, public presentations, press releases, updated online information, social media, and other activities to share IFC tools and information with the general public and key stakeholders).
- Building on IFC’s expertise to support the new Cooperative Institute for Research to Operations in Hydrology (CIROH) housed at the University of Alabama and funded by the National Oceanic and Atmospheric Administration. Working with CIROH collaborators, IFC will serve as a key partner to help improve the country’s ability to predict and manage water-related hazards.
- Leveraging IFC’s experience and technical capabilities to expand a uniform hydrostation network across Eastern Iowa that will help to improve flood- and drought- monitoring and forecasting.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	1,205,593
EXPENDITURES	
Salaries/Benefits	1,072,115
Supplies and Services	89,778
Rentals	6,500
Aid to Individuals	<u>37,200</u>
TOTAL EXPENDITURES	1,205,593

➤ SUI Entrepreneurship

The entrepreneurship and economic development growth initiative is a collaborative partnership among the University of Iowa’s John Pappajohn Entrepreneurial Center (Iowa JPEC), the Office of the Vice President for Research, the Office of the Executive Vice President & Provost, and the colleges of Business, Engineering, Liberal Arts and Sciences, and Health Sciences.

Iowa JPEC offers nationally recognized, comprehensive entrepreneurial education programs to all Iowans. A wide variety of programs are available on campus and online and to MBA students at several locations across the state of Iowa. Entrepreneurial training programs are available to all Iowans from numerous cities throughout the state. JPEC and its university partners also play an important role in the development of Iowa-based technology and high-growth start-up companies. Whether providing one-on-one consulting services and group training, working with startup companies on technology transition, directing students on advanced field study projects, or providing training and seminars to business executives, the University seeks to support the next generation of entrepreneurs and business leaders.

The recurring allocation of \$2 million will develop entrepreneurship curriculum and programs, provide direct support to Iowa startups and small-to-medium enterprises, and accelerate new venture formation.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,000,000
EXPENDITURES	
Salaries/Benefits	1,151,567
Supplies and Services	643,733
Aid to Individuals	<u>204,700</u>
TOTAL EXPENDITURES	2,000,000

➤ SUI Waterman Nonprofit Resource Center

The Larned A. Waterman Iowa Nonprofit Resource Center (INRC) is a university-wide interdisciplinary center that strengthens Iowa’s nonprofit sector through direct services, education and research. Services range from the development of board and executive leadership to strategic planning to clarifying local, state, and federal rules that regulate nonprofit organizations. Education includes creating and delivering presentations and workshops to professionals from across the state, as well as teaching a series of nonprofit courses at the University of Iowa. Research involves quantitative and qualitative analyses of data that inform on sector conditions and trends. The activities of the INRC are made possible by a strong network of public and private partners and supporters.

In FY 2024, the INRC provided direct services to over 800 organizations on a host of issues including management, governance, leadership, fundraising, IRS filings, and beyond. The INRC engaged dozens of organizations across the state in several in-depth projects, including strategic planning, capacity building, board development, executive performance reviews, and executive succession planning. Our website, social media, and listserv connected thousands of nonprofit leaders with vital information and resources. Along with several partners, the INRC co-produced the 2023 Iowa Nonprofit Summit—the largest nonprofit leadership conference in Iowa and also coproduced a statewide nonprofit salary and benefits survey in order to better understand compensation practices in Iowa.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	156,389
EXPENDITURES	
Salaries/Benefits	156,389

➤ SUI Biosciences Innovation

Med-tech development is core to the SUI area economic development success. Per the TEconomy summary, “In Iowa, technology development and startup activity is occurring around the convergence of University of Iowa biomedical research specialties and the University Hospitals’ clinical practice.” TEconomy went on to state, “Building interest and momentum with faculty to advance innovations along a commercialization pathway” was a key barrier that had to be overcome to realize the economic potential resident in Iowa. The areas of investment during FY 2025 are the following:

UI Ventures - UI Ventures supports innovative, research-driven startups on the University of Iowa campus through initiatives including GAP Funding for early-stage product inventions and services, business support for early-stage University startups; on-going networking for faculty and staff from proven industry and startup leaders across the United States, including medtech entrepreneurs, and venture capitalists.

GAP Funding for early stage inventors has been established in the colleges of Medicine, Engineering, Education, Dentistry, Pharmacy and the Department of Nursing. These pivotal funds support pairing specific industry expertise with inventors to help advance ideas into viable prototypes or business solutions

MADE & Protostudios - The SUI has created a one-of-a-kind program – MADE, a student managed manufacturing and e-commerce initiative whose mission is to bring innovative, needs based products to the market with the twin goals of solving problems and enhancing economic development as an extension of research and scholarship. The MADE program is almost entirely student run; developing real world experience for the next generation of entrepreneurs while offering UI faculty and staff a unique outlet encouraging the development of simple solutions to everyday tasks in surgery or clinical practice. Protostudios continue to expand its design support, high end 3D printing and prototyping services supporting MADE clients, manufacturers, and startup companies across the state in need of prototypes for medical devices and other products..

Integration Services - The Iowa Innovation Leadership Fellowship training program for medical students, post docs and graduate students teaches the principles of biodesign and medical entrepreneurship. We teach trainees tools to create solutions to unmet needs in healthcare as well as helping us build an entrepreneurial ecosystem at the University by acting as innovation ambassadors scouting for unique inventions and spreading the message of available resources and sharing success stories about Iowa entrepreneurs. A Statewide Nursing Innovation program was created to give agency nurses an avenue to pursue solutions to unmet needs in healthcare. These initiatives will be expanded in 2025 as a more robust mechanism is built to communicate and collaborate across stakeholders.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	1,000,000
EXPENDITURES	
Salaries/Benefits	458,999
Supplies and Services	<u>541,001</u>
TOTAL EXPENDITURES	1,000,000

➤ SUI Agricultural Health and Safety (I-CASH)

High rates of illnesses, injuries and fatalities among farmers, farmworkers and their families are recognized as a challenge to Iowa’s agricultural sustainability. To address this problem, I-CASH was established in 1990 (Iowa Code, 262.78). Although the center was established at SUI, it brings together the expertise of ISU, the Iowa Department of Public Health, and the Department of Agriculture and Land Stewardship to reduce the rates of injuries and illnesses associated with agriculture.

Although the numbers of agricultural fatalities and injuries have gone down over time, so have the number of farmers. Injury and fatality rates are consistently six to seven times higher than other industries. Farmers make up only 5% of Iowa’s workforce, but they suffer more than 30% of the state’s occupational injuries and fatalities. Most years, agriculture is responsible for the highest proportion of occupational fatalities of any industry in Iowa.

I-CASH’s mission is to lead statewide partnerships that promote agricultural safety and health. Because most farms in Iowa employ 10 or fewer non-related employees each year, farms are not subject to the oversight of the Occupational Safety and Health Administration, nor do they have easy access to the resources and training that OSHA provides other industries.

The appropriation supports the development of safety and health materials and resources made available to workers in the agriculture industry, including items distributed through ISUEO and FSA offices, tailored safety policy guides for individual farms, and the annual Agricultural Youth Injury Prevention grant program. In addition, state funds support the annual Midwest Rural Agricultural Safety & Health conference and enhance I-CASH’s ability to be responsive to the needs of Iowa’s farmers.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	128,154
EXPENDITURES	
Salaries/Benefits	62,785
Supplies and Services	<u>65,369</u>
TOTAL EXPENDITURES	128,154

➤ College of Nursing

SUI’s College of Nursing is a nationally ranked top-10 program, according to U.S. News and World Report, and is eager to grow its impact within the state of Iowa. Beginning in 2018, the College of Nursing began purposeful efforts to grow the number of nurses educated, and enrollments in the college have increased 11% from five years ago to 160 students today. This increase has fully tapped the existing capacity of the college in terms of the instructors needed for educating new students. Increasing faculty ranks is one of the next steps to develop more nurses for Iowa.

As one way to grow the student population, the College of Nursing has designed an innovative program called the Master of Science in Nursing: Entry into Practice. This full-time accelerated nursing program prepares non-nurse college graduates of all academic backgrounds to become practicing nurses, with a post baccalaureate degree, in 15 months. When fully implemented, the college will be able to increase its capacity with the intention to graduate 48 additional nurses (30% increase) per year.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,800,000
EXPENDITURES	
Salaries/Benefits	2,660,278
Aid to Individuals	<u>139,722</u>
TOTAL EXPENDITURES	2,800,000

➤ John Pappajohn Entrepreneurial Center (JPEC)

JPEC seeks to expand access to entrepreneurship and innovation education and experiences across the entire campus. These funds will be used to develop and implement an innovation and design thinking applied learning workshop for first and second-year students to introduce them to concepts such as innovation and creativity, problem solving, customer discovery, value creation, and business modeling. Iowa JPEC will partner with various colleges and organizations across campus to deliver these workshops. Students will learn how to apply this entrepreneurial method to solve problems across disciplines and be introduced to the resources across campus to support entrepreneurship and new venture creation.

JPEC creates new entrepreneurship and innovation challenges to encourage the development of innovative solutions to address real world problems. Iowa JPEC will partner with select colleges and departments to identify areas of opportunity, and then lead the competitions. Students, faculty, and staff will submit proposals outlining issues, proposed solutions, and describe the value added for customers.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	41,667
EXPENDITURES	
Supplies and Services	41,667

SUI FY 2025 Restricted Fund Budget

The Restricted Fund includes the Organized Activities Fund, the Auxiliary Enterprise Fund, the Current Restricted Fund and the Plant Fund. The expenditure plan provides for salary adjustments, meets certain non-discretionary cost increases, reflects the University’s best efforts at planning to meet its most critical needs, and provides essential services within the limits of available resources.

- Organized Activities Fund – includes medicine and dentistry practice plan funds, SUI Pharmaceuticals, sports camps, conferences and institutes, mandatory fees (partial) and various publications and workshops
- Auxiliary Enterprise Fund – includes Athletics, University Housing & Dining, the Iowa Memorial Union, Student Health, Recreational Services, Hancher Auditorium, Parking and Transportation, Cambus and various smaller enterprises
- Current Restricted Fund – includes sponsored activities, predominately research and student financial aid funded from federal and non-federal sources
- Plant Fund – includes bond proceeds and capital project receipts

Revenues are derived from federal and non-federal support for sponsored programs, sales and services, reimbursed indirect costs, fees, bond proceeds, transfers from current unrestricted funds, tuition replacement and capital appropriations. The expenditure plan provides for salary adjustments, meets certain non-discretionary cost increases, reflects the University’s best efforts at planning to meet its most critical needs, and provides essential services within the limits of available resources.

The proposed FY 2025 Restricted Fund Budget includes the following state appropriations:

- Iowa Lakeside Lab Facilities \$ 3.00 million
- Tuition Replacement \$12.93 million
- Innovation Fund \$ 1.05 million
- Resource Center & Geological Survey \$ 1.21 million

Strategic Initiatives Fund (UISIF) - The public-private partnership with ENGIE North America and Meridiam will allow the university to invest up to \$15 million per fiscal year via grants dedicated to supporting the SUI's strategic plan and core missions of teaching, research and scholarship. The University has awarded the following seven projects for FY 2025 funding:

- Growing Iowa into a Leader in Airborne & Ground-Based Earth Science Measurement Capability, \$1,270,700
- The Iowa Health Data Resource (IHDR) – Extending the Impact, \$902,890
- A Proposal for Iowa's AI Journey: First Steps in General AI Support, \$784,517
- Iowa's AI Journey: First Steps in AI Support for Research Scholarly and Creative Activities, \$615,000
- High Impact Hiring Initiative, \$4 million
- Renovation of Performing Arts Annex for the Department of Dance, \$3 million
- Education Infrastructure Project, \$2 million

Athletics

The SUI Athletic Department is a self-sustaining auxiliary enterprise and receives no general university support. The University of Iowa's \$150 million FY 2025 athletic budget is provided on the following page. The proposed FY 2025 budget represents a 7.2% increase over FY 2024.

Most primary revenue sources are anticipated to increase in FY 2024. Ticket revenue for football is budgeted to increase due to a favorable home schedule and price adjustments. Women's basketball revenues increased based on additional guarantees received for away contests. Athletic conference revenue will increase in FY2025 due to the renegotiated television contracts by the Big Ten Conference. General income declined for FY 2025 due to a one-time payment received in FY 2024 for a technology management fee related to digital networks in Kinnick Stadium and Carver-Hawkeye Arena. The foundation support budget fluctuates based on support for special projects/facilities and projected revenues from other sources and is budgeted less for FY 2025.

Sport expense lines include salaries, scholarships, and operating and event cost increases for the programs. FY2025 scholarship budgets include tuition and room/board increases. Travel expenses for football increased over \$550,000 due to adjustments in Big Ten schedules.

Salary adjustments for non-contracted sport and administrative salaries results in a 3% average annual expense increase over the FY 2024 budget, which are represented in the sport budgets and administration/general expense lines. Football expenses include contracted salary increases and additional travel costs, based on schedule rotation. An anticipated payment toward the pandemic-related loan from the University a few years ago is reflected in the FY 2025 budget. An annual evaluation and payment will occur at the conclusion of the fiscal year.

The Athletic Department is responsible for paying the full cost of attendance for the scholarships it awards. SUI Athletics awards the equivalent of approximately 290 scholarships at a cost of approximately \$15.9 million, which are included in the applicable sports expense lines. The scholarship amount also includes a cost of attendance stipend to scholarship athletes for academic supplies, transportation and some personal costs as calculated by the financial aid office. The annual stipend amounts are budgeted at a total annual cost to Athletics of approximately \$1.5 million.

The Athletic Department purchases services from numerous entities within the University including Public Safety, UIHC, parking, scholarships, utilities, university business services and residence services. The projected total FY 2025 cost to Athletics for these services is \$24 million.

The University of Iowa
Athletics Operating Budget - FY 2025

	FY 2024 Budget	FY 2025 Budget
<u>INCOME</u>		
Men's Sports		
Football	\$ 22,324,357	\$ 24,401,883
Basketball	3,515,000	3,500,000
Wrestling	1,200,000	1,200,000
All Other	60,000	61,200
Total Men's Sports	\$ 27,099,357	\$ 29,163,083
Women's Sports		
Basketball	\$ 1,300,000	\$ 1,650,000
Volleyball	25,000	25,500
Wrestling	-	80,000
All Other	50,500	51,500
Total Women's Sports	\$ 1,375,500	\$ 1,807,000
Other Income		
Facility Debt Service/Student Fees	\$ 650,000	\$ 650,000
Learfield Multi Media Contract Income	8,400,000	8,250,000
Athletic Conference	61,820,000	75,213,000
Interest	650,000	400,000
Foundation Support	17,300,000	13,325,000
Foundation Premium Seat Revenue	10,800,000	11,175,000
Licensing	4,500,000	5,100,000
General Income	7,722,329	5,391,728
Total Other Income	\$ 111,842,329	\$ 119,504,728
TOTAL INCOME	\$ 140,317,186	\$ 150,474,811
<u>EXPENSES</u>		
Men's Sports		
Football	\$ 39,507,001	\$ 42,072,092
Basketball	9,894,483	9,880,069
Wrestling	2,847,908	3,149,938
All Other	5,234,509	5,341,357
Total Men's Sports	\$ 57,483,901	\$ 60,443,456
Women's Sports		
Basketball	\$ 6,702,886	\$ 7,804,994
Volleyball	2,389,519	2,569,706
Wrestling	1,034,854	1,370,499
All Other	16,054,191	16,197,799
Total Women's Sports	\$ 26,181,449	\$ 27,942,998
Other Expenses		
Training Services	\$ 3,507,378	\$ 3,676,040
Sports Information	830,035	818,742
Admin. & General Expenses	19,215,572	21,638,804
Facility Debt Service	18,446,478	20,051,652
Transfer-Loan Payment	1,500,000	2,500,000
Academic & Counseling	1,943,412	1,953,780
Buildings & Grounds	11,208,961	11,449,339
Total Other Expenses	\$ 56,651,836	\$ 62,088,357
TOTAL OPERATING EXPENSE	\$ 140,317,186	\$ 150,474,811

University Housing & Dining

The slightly lower net revenue projection from the preliminary budget received by the Board in February 2024 is due to a higher than originally projected increase in food costs, as well as additional merit staff positions in dining to allow for increased service hours to meet student demand. Projected residence hall revenues are based on rates approved by the Board, fall residence hall occupancy of 6,435 (98.5% of capacity) and residence hall board contracts of 7,630.

**The University of Iowa
Residence System Proposed Final Budget 2024-25**

	Final Budget 2023-24	Preliminary Budget 2024-25	Proposed Final Budget 2024-25
OPERATIONS			
Revenues	\$ 85,549,790	\$ 93,172,237	\$ 93,046,882
Expenditures for Operations	61,906,377	65,443,239	66,884,794
Net Revenues	<u>23,643,413</u>	<u>27,728,998</u>	<u>26,162,088</u>
% of Revenues	27.6%	29.8%	28.1%
Debt Service (due July 1)	12,547,213	11,471,213	11,471,213
Mandatory Transfers	600,000	600,000	600,000
Net After Debt Service & Mandatory Transfers	<u>\$ 10,496,200</u>	<u>\$ 15,657,785</u>	<u>\$ 14,090,875</u>
% of Revenues	12.3%	16.8%	15.1%
Debt Service Coverage Ratio	188.4%	241.7%	228.1%
University Overhead Payment	\$ 551,676	\$ 568,226	\$ 571,608
FUND BALANCES (June 30)			
Operation & Maintenance Fund	1,000,000	1,000,000	1,000,000
Improvement Fund	6,837,166	11,099,500	11,099,500
Surplus Fund	<u>8,139,132</u>	<u>4,899,225</u>	<u>3,765,080</u>
Subtotal--Voluntary Reserves	<u>15,976,298</u>	<u>16,998,725</u>	<u>15,864,580</u>
Bond Reserve Fund	11,382,835	11,306,282	11,306,282
Total Fund Balances (June 30)	<u>\$ 27,359,133</u>	<u>\$ 28,305,007</u>	<u>\$ 27,170,862</u>
REVENUES AND EXPENDITURES DETAIL			
Revenues			
Contracts	\$ 75,647,686	\$ 82,270,935	\$ 82,351,172
Interest	467,111	595,230	733,012
Other Income	<u>9,434,993</u>	<u>10,306,072</u>	<u>9,962,698</u>
Total Revenues	<u>\$ 85,549,790</u>	<u>\$ 93,172,237</u>	<u>\$ 93,046,882</u>
Expenditures for Operations			
Salaries, Wages & Benefits	\$ 28,544,592	\$ 29,974,334	\$ 30,517,373
Cost of Food or Goods Sold	13,953,505	15,702,306	16,265,967
Utilities	6,899,929	7,186,039	7,120,939
Repairs & Maintenance	3,784,993	4,163,885	4,148,840
Other Operating Expense	<u>8,723,358</u>	<u>8,416,675</u>	<u>8,831,675</u>
Total Expenditures	<u>\$ 61,906,377</u>	<u>\$ 65,443,239</u>	<u>\$ 66,884,794</u>

FY 2025 BUDGETS – IOWA STATE UNIVERSITY

The FY 2025 budget was developed in alignment with the goals of Iowa State University’s new Strategic Plan for 2022-2031. The plan reinforces Iowa State’s unique value as the state’s only land-grant institution, founded on a mission to prepare the future workforce, address urgent and complex problems through research and innovation, create economic opportunities and improve the quality of life for Iowans. Investment of the university’s resources during FY 2025 are guided by these five goals:

- To be the most student–centric leading research university.
- To be the university that cultivates a diverse, equitable and inclusive environment where students, faculty and staff flourish.
- To be the university that fosters lifelong learning.
- To be the university that creates opportunities and forges new frontiers.
- To be the trusted partner for proactive and innovative solutions.

In addition, the university continues to work through persisting financial challenges, including increasing inflation, competitive salaries, technology costs, essential student support services and other challenges. The budgets of individual units are differentially impacted based on their changes in enrollment, student credit hours delivered, and research indirect costs, as determined by the University’s formula-driven revenue allocation model.

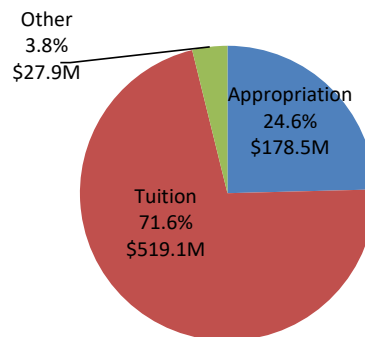
Iowa State is committed to delivering on its mission through effective and efficient operations.

ISU FY 2025 General University Operating Budget

Tuition revenues comprise 71.6% of the \$725.5 million General University revenue budget with 24.6% coming from state appropriations. Projected changes in these revenue sources, as well as indirect cost recoveries and other income, result in a \$34.4 million increase in revenue, or 5.0% more than the FY 2024 budget.

	ISU	
FY 2024 Budget	\$ 691.1	million
Revenue Changes:		
Base Appropriation	4.4	million
Tuition	27.8	million
Indirect Cost Recoveries/Other	2.2	million
Revenue Change	34.4	million
FY 2025 Budget	\$ 725.5	million

ISU General University FY25 Revenue Budget



After being flat-funded for FY 2024, the Iowa General Assembly approved a \$4.4 million increase (2.5%) in ISU’s General University appropriation for FY 2025.

At its June 2024 meeting, the Board approved a 3.0% tuition increase to the base undergraduate resident rate, a 4.5% increase to the base nonresident rate and varying increases for other student categories and certain higher cost programs. The enrollment projections for FY 2025 combined with the approved tuition rates result in an estimated increase in tuition revenue of \$27.8 million.

ISU’s indirect cost recovery revenue is projected to increase by \$2.2 million from the continued success in growing external research funding and is partially offset by a decline in other income. Interest income is budgeted flat with FY 2024.

ISU continues to demonstrate a longer-term commitment to innovate, develop new revenue streams, improve operating and other efficiencies, and right-size the institution. The university has internally reallocated more than \$10 million to align the budget with its strategic goals and critical institutional needs.

The University implemented the terms of the AFSCME collective bargaining agreements (3.0% increase). These merit employees will also receive a 1% performance-based increase on their review dates. Under the negotiated contract, Public Safety Merit employees will receive a 6% increase on July 1, 2024. Additionally, public safety staff eligible for step increases will receive a 5% increase on their eligibility date.

To recruit and retain outstanding faculty and professional staff at ISU, the FY 2025 budget includes a 3% salary increase planning parameter for faculty, staff, and postdocs. Effective in January 2024, the annual salary policy implementation has transitioned to the start of the calendar year.

Student financial aid provides access and affordability for many students, helps maintain a healthy enrollment and academic profile, and increases enrollments and net revenue to the university. The student financial aid budget increased by \$9.5 million as compared to the FY 2024 budget. ISU remains committed to supportive programming to enhance learning and a physical environment conducive to student success. ISU remains committed to responding to campus health issues and supporting the physical and mental health of its students, faculty and staff by committing resources to support physical and mental health, student assistance and counseling services. Resources of \$5 million are committed to fund other cost increases including operations and maintenance of new buildings, insurance premiums, state auditor fees, student recruitment efforts, and software licensing fees.

The \$725 million General University budget allocated by function is shown below. Expenses related to instruction, academic support, and scholarships and fellowships comprise 72% of all general university expenses.

General University Spending By Function (\$ in thousands)		
	<u>FY 2025</u>	<u>% Total</u>
Instruction	261,600	36.1%
Research	21,944	3.1%
Public Service	7,599	1.0%
Academic Support	120,916	16.7%
Student Services	32,102	4.4%
Institutional Support	84,903	11.7%
Operations & Maintenance of Plant	59,143	8.2%
Scholarships & Fellowships	137,274	18.9%
Total	725,481	100.0%

ISU FY 2025 Special Purpose Operating Budgets

The following table lists ISU’s special purpose units that received state operating funding for FY 2025. Included is first-time funding for Private Forest Management and increases for Livestock Disease Research and the Veterinary Diagnostic Laboratory. The following pages contain unit descriptions and budgets for these units.

<u>ISU SPECIAL PURPOSE UNITS</u>	<u>STATE APPROPRIATIONS</u>		<u>Difference</u>
	<u>FY 2024</u>	<u>FY 2025</u>	
AG. EXP. STATION	29,462,535	29,462,535	-
COOP. EXT SERVICE	18,157,366	18,157,366	-
NEW: PRIVATE FOREST MANAGEMENT	-	150,000	150,000
LIVESTOCK DISEASE RESEARCH	191,390	291,390	100,000
VET DIAGNOSTIC LAB*	4,520,000	4,620,000	100,000
ECONOMIC DEVELOPMENT	2,424,302	2,424,302	-
BIOSCIENCES INNOVATION	2,963,995	2,963,995	-
STEM WORKFORCE	2,800,000	2,800,000	-
JPEC	41,667	41,667	-

*includes \$120K from the Nutrient Reduction Fund

➤ ISU Agricultural Experiment Station (AES)

AES is Iowa’s only public agricultural research program, conducting research in biological, physical and social sciences that contributes to the advancement of Iowa agriculture and improvement of the economic and social condition of Iowa’s families and communities. AES has served the state for more than 130 years. It supports the work of ISU researchers within and across multiple disciplines. It collaborates and cooperates with the national network of experiment station programs at state land-grant universities, ensuring attention is given to common problems, sharing research results and avoiding duplication.

Research through AES helps maintain Iowa agriculture as the world’s leader in productivity, efficiency, and sustainability. Iowa farmers and businesses especially depend on research results to continually improve operations, incorporate more sustainable practices, prepare for emerging crop and livestock health and welfare challenges, improve management decisions, and become more resilient in times of change. Experiment Station research allows ISU to address the state’s high priority challenges, such as improved water quality and environmental stewardship that conserves Iowa’s world-class natural resources.

The breadth and depth of AES’s research portfolio, including more than 400 active projects in the last fiscal year, enable innovations in plant sciences and plant systems; animal sciences; natural resources; food safety and security; human health and nutrition; economics; markets and policy; emerging genetics and genomics frontiers; biorenewable opportunities and digital agriculture.

ISU researchers deploy AES support in multiple ways. The appropriation is used to leverage and secure and additional \$8.7 million in USDA capacity funding each year, as well as an additional \$50 million in grants and contracts from USDA and other agencies, as well as corporate and sectoral partners. Over the past five years, the College of Agriculture and Life Sciences has earned more than \$300 million in external funding, averaging more than \$60 million annually.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	29,462,535
Federal Support	5,699,804
TOTAL RESOURCES	35,162,339
EXPENDITURES	
Salaries/Benefits	23,532,433
Supplies and Services	7,327,906
Utilities	4,250,000
Aid to Individuals	52,000
TOTAL EXPENDITURES	35,162,339

➤ ISU Cooperative Extension Service

ISU Extension and Outreach works across ISU’s academic colleges, through Iowa’s 99 counties, and with external partners to engage Iowans in research, education, and extension experiences to address current and emerging challenges, for example avian influenza, food supply and safety, quality childcare, mental health, and financial security.

Last year ISU Extension and Outreach totaled more than 907,000 educational contacts across the state. In these exchanges, Iowans received educational programming or connected with ISU expertise. Agriculture and natural resources programming provided research-based information through more than 212,000 contacts with farmers and agribusinesses at in-person and virtual events. The 4-H Youth Development programs reaches more than 166,000 Iowa youth, preparing them to actively pursue careers and education beyond high school. K-12 youth outreach improves college and career readiness, provides opportunities for community service, and prepares young people for Iowa’s workforce.

In addition, a variety of certifications were provided to strengthen Iowa’s workforce. Through the Agriculture and Natural Resources program area, over 21,000 professional certifications were issued to maintain agriculture and farming operations. Through ISU’s Human Sciences offerings, nearly 14,000 early childcare and educational professionals completed online courses to bolster the quality of care for children throughout the state. Through Community and Economic Development programs such as the Rural Housing Readiness Assessment, communities like Keokuk learned how to identify, assess, and meet their unique housing needs by securing \$1.2 million in grants for upper-story housing, neighborhood revitalization, and home rehabilitation.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	18,157,366
Federal Support	<u>10,252,231</u>
TOTAL RESOURCES	28,409,597
EXPENDITURES	
Salaries/Benefits	26,303,891
Supplies and Services	<u>2,105,706</u>
TOTAL EXPENDITURES	28,409,597

➤ ISU Private Forest Management

Iowa’s woodlands provide disproportionately large economic and ecosystem goods and services contributions to our state. With approximately 85% of Iowa’s woodlands being privately held, landowners, farmers, and families have a crucial role in stewarding Iowa’s precious woodland resources. However, state and national surveys indicate that most of Iowa’s woodland acres are passively managed, and woodland owners are unaware of the range of technical service, financial, and educational resources available to them regarding forest stewardship.

To address these issues, a new regional Extension Forestry Specialist position will soon be announced to serve northeast Iowa – one of our state’s more heavily forested regions. The specialist will collaborate with university, agency, and organization partners to promote active forest management across the northeast Iowa region. The specialist will provide technical assistance and education to private landowners, public woodland stewards, and forest products industry professionals via one-on-one consultations, workshops, virtual programs, and other extension delivery methods.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	150,000
EXPENDITURES	
Salaries/Benefits	91,130
Supplies and Services	<u>58,870</u>
TOTAL EXPENDITURES	150,000

➤ ISU Livestock Disease Research

Livestock disease research is conducted through the College of Veterinary Medicine on important health issues that impact Iowa’s livestock and poultry industries. This research helps to mitigate the high financial losses producers experience each year due to livestock diseases. Funds appropriated to the program serve as catalysts and are leveraged to earn additional research funds from public and private sources, including the USDA.

The Iowa Livestock Health Advisory Council (ILHAC) includes representatives from all major Iowa animal commodity groups. ILHAC oversees the solicitation and selection of relevant grant proposals that impact Iowa’s \$32.5B animal ag industry. Funds from the special appropriation provide seed money for research projects that address top priorities identified by the livestock and poultry industries; special emphasis is given to projects with significant economic benefit. Recently funded projects include improving the safety of meat, poultry, and milk; diagnosis and control of emerging diseases in poultry; developing vaccines and diagnostics for porcine epidemic diarrhea, porcine reproductive and respiratory syndrome, and swine influenza.

Additionally, ILHAC supports the training of veterinary students to ensure future generations of animal health professionals are fully competent and prepared to tackle diseases and other challenges in food-producing animals.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	291,390
EXPENDITURES	
Supplies and Services	241,390
Bldg. Repairs	<u>50,000</u>
TOTAL EXPENDITURES	291,390

➤ ISU Veterinary Diagnostic Lab (VDL)

The ISU VDL protects animal and human health and advance Iowa’s animal agriculture economy. It serves as the State of Iowa’s official veterinary diagnostic lab and is Iowa’s only fully accredited and full service veterinary diagnostic laboratory.

Iowa’s livestock and poultry producers use the VDL extensively to prevent and mitigate costly disease outbreaks. The VDL’s 110,000 caseload is the largest of any in the U.S. and has increased by 250% since 2009.

Baseline funding for the VDL is critical to maintain preparedness. The disease status of Iowa (and U.S.) livestock herd and poultry flocks, and subsequently the volume of testing, can change substantially over time, as evidenced by recent outbreaks of avian influenza. Baseline funding also helps keep testing affordable for Iowa producers, which encourages greater utilization and subsequent early detection of disease, and helps to prevent the spread of disease to neighbors.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	4,620,000
EXPENDITURES	
Salaries/Benefits	4,594,884
Supplies and Services	<u>25,116</u>
TOTAL EXPENDITURES	4,620,000

➤ ISU Economic Development

The Economic Development appropriation supports the Center for Industrial Research and Service (CIRAS), Small Business Development Centers (SBDC), and the ISU Research Park (ISURP).

CIRAS helps Iowa businesses navigate workforce challenges, economic uncertainty, inflation, and unstable supply chains. Funding provides applied research with faculty, materials support, and Industry 4.0 implementation (which includes process automation, workforce efficiencies, robotics, and more). Over the past five years, CIRAS and partners have helped more than 4,600 businesses in every Iowa county, creating a client-reported economic impact of \$3.1 billion, with over 38,000 jobs added or retained. CIRAS leverages the state’s investment to generate nearly three times as much support through federal grants and private industry investments.

The SBDC provides research, counsel, and training in managing, financing, and operating small businesses, as well as access to comprehensive information services and experts in a variety of fields. Last year, the 15 SBDC regional centers, serving all 99 counties in Iowa, counseled 4,595 clients, helping to create 1,773 new jobs. SBDC services also assisted in attracting \$83 million in new capital, increasing sales by over \$139 million, and creating over five new businesses per week.

ISURP is a fast-growing technology and innovation community for new and expanding businesses engaging with ISU faculty, collaborating in research, or accessing specialized equipment. The ISURP spans 550 acres, serves 130 tenants in one million square feet of building space, and supports 2,500 employees and 500 student interns.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,424,302
EXPENDITURES	
Salaries/Benefits	2,210,806
Supplies and Services	<u>213,496</u>
TOTAL EXPENDITURES	2,424,302

➤ ISU Biosciences Innovation

Biosciences are a critical and growing area of Iowa’s economy, supporting thousands of high-paying jobs, and contributing significantly to the state’s overall economic development efforts. Three priority bioscience platforms – Biobased Products and Chemicals, Precision and Digital Agriculture, and Vaccines and Immunotherapeutics – represent areas with large markets and significant growth potential. Iowa State University helps lead the state in growing and capturing the economic value these programs offer.

State support has enabled the hiring of chief technology officers for the platforms, seed grants for promising research, support for start-up companies, and market research to identify needs and priorities of Iowa industry stakeholders. To help the state better capitalize on opportunities in the sector, Iowa State University will expand this work to enable enhanced commercialization of new technologies, accelerated translation of scientific breakthroughs, improved collaboration between universities and industry to address the state’s challenges, and further developing the state’s biosciences workforce.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,963,995
EXPENDITURES	
Salaries/Benefits	1,072,503
Supplies and Services	<u>1,891,493</u>
TOTAL EXPENDITURES	2,963,996

➤ STEM Workforce

ISU is preparing students for careers and leadership in Iowa’s science and technology economy. Faculty and staff supported through the initiative are preparing students for professional success and to meet workforce demand. Support includes the new biomedical engineering program to support biomanufacturing and the integrated health sciences degree to educate students for biosciences companies. This resource also supports expanding degree and certificate programs for students in fields such as artificial intelligence, digital agriculture, meat sciences, and antimicrobial resistance and other high-demand technology areas. Graduates from these areas are well-positioned to start their own business ventures, be recruited into excellent job opportunities, and build careers and lives in Iowa.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	2,800,000
EXPENDITURES	
Salaries/Benefits	2,700,000
Supplies and Services	<u>100,000</u>
TOTAL EXPENDITURES	2,800,000

➤ John Pappajohn Entrepreneurial Center (JPEC)

ISU’s John Pappajohn Center offers entrepreneurial-focused programs to students that include a vendor market, participation in pitch and business competitions, attendance at entrepreneurial conferences, Cystarters summer accelerator program and pitch events.

The goal of all these programs is to support Iowa’s entrepreneurial ecosystem and serve as a catalyst for economic growth across the state. All these programs aim to support Iowa’s entrepreneurial ecosystem and serve as a catalyst for economic growth across the state.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	41,667
EXPENDITURES	
Supplies and Services	41,667

ISU FY 2025 Restricted Budget

The restricted funds budget represents activities that receive targeted appropriations for specific strategic initiatives including capital appropriations, and revenues and expenditures from university units and operations that do not receive direct state appropriations. Major restricted fund revenue categories include:

- Federal Support – receipts for sponsored programs, student financial aid, and federal pass-thru funds received by the State of Iowa
- Restricted Fees – mandatory student fees, course fees, student fees and study abroad fees.
- Sales and Services – includes academic department service centers (Veterinary Teaching Hospital, Research Farms) and residual funds from workshops and conferences.
- Endowment Income – earnings distributed from the University’s endowment funds
- Auxiliary Enterprises – comprised primarily of from Intercollegiate Athletics, University Book Store, Iowa State Center, Department of Residence, Reiman Gardens, Parking Systems, Recreational Services, Student Health Center, Memorial Union, Regulated Materials Facility, Utilities, and Veenker Golf Course.
- Private Gifts, Grants and Contracts – includes nongovernmental sponsored programs from private industry, non-profit organizations, and individuals
- Plant Funds – includes bond proceeds and capital project funds

The proposed FY 2025 Restricted Fund Budget also includes the following state appropriations:

- Tuition Replacement \$10.27 million
- Innovation Fund \$ 1.05 million
- Grape & Wine Institute \$ 0.25 million

ISU Athletics

The ISU Athletic Department is a self-sustaining auxiliary enterprise and receives no general university support. The proposed FY 2025 athletic budget on the following page totals \$114 million.

As a result of conference realignment within college athletics, the Big 12 Conference added four former Pac 12 institutions beginning July 1, 2024. As a result of those additions, the eight continuing members of the Big 12 Conference will receive approximately \$40M less than earlier projections in Big 12 distributions over the next several years (through FY 2031).

Also, as a result of the expansion of the College Football Playoff, playoff revenues will no longer be distributed on an equal basis to the major conferences. With two athletic conferences essentially receiving the contractual increases in television revenue resulting from the new playoff format, the revenue allocations to members of the Big 12 conference will remain flat. The financial impact of this change is approximately \$5M per year (through FY 2031) when compared to earlier projections.

In response to these financial changes, ISU Athletics has postponed several building projects and is continuing to make operational and personnel changes as necessary.

Ticket sales are budgeted higher for FY 2025 since the home football schedule includes seven home games (six games last season) and higher ticket sales expected for women's basketball and wrestling.

ISU athletics transfers sufficient funds from its Foundation accounts to balance its annual budget. The amount can fluctuate based on availability of donor funds paid restricted to specific projects and the timing of those payments between fiscal years.

Multi-media rights revenue for FY 2024 revenue included \$1M for videoboards capital investments from a sponsorship partner that does not recur in FY 2025.

Compensation/benefits cost increases are due to contracted coaches' salary increases, general staff increases, higher employee benefit assessments, and changes in federal law which will increase costs for overtime hours incurred by certain employees.

Facilities and events expenses are budgeted lower for FY 2025 with performing arts operations moving to a separate accounting enterprise. This change also results in lower event services revenue reported as other revenue.

Debt service increases are due to updates of video and sound systems in our competition venues, addition of new tennis facility, and renovation of the Scheman Building. The capital renewal investment for FY25 is reduced to help offset the additional debt service.

The Athletic Department is responsible for paying tuition on the scholarships it awards. ISU Athletics awards up to 236 scholarships at a cost of \$9.8 million as reflected in the budget. The scholarship amount also includes a cost of attendance stipend to scholarship athletes for academic supplies, transportation, and some personal costs as calculated by the financial aid office. The annual stipend amounts are budgeted at a total annual cost to Athletics of approximately \$925,000.

The Athletic Department purchases services from numerous entities within the University including tuition and room board from scholarship payments, facilities, University services, band, event support, utilities, etc. The total cost to Athletics for these services typically ranges between \$20 million to \$27 million.

IOWA STATE UNIVERSITY ATHLETICS

	FY 2024 Budget	FY 2025 Proposed
<u>REVENUES</u>		
Ticket Sales:		
Football	\$ 15,875,000	\$ 16,950,000
Men's Basketball	4,400,000	4,400,000
Women's Basketball	450,000	700,000
Wrestling	200,000	250,000
Other Sports	325,000	325,000
Ticket Sales:	21,250,000	22,625,000
Foundation Support	38,090,375	36,994,000
Conference & NCAA Revenue	33,538,783	37,786,000
Multi-Media Rights	6,561,500	5,815,500
Post Season Revenue	355,000	355,000
Student Fees	1,800,000	1,800,000
Licensing	1,000,000	1,300,000
Game guarantees	-	28,000
Auxiliary Revenue	2,150,000	2,450,000
Other Revenue	6,792,000	5,072,000
TOTAL REVENUES	\$ 111,537,658	\$ 114,225,500
<u>EXPENSES</u>		
Sports Programs - Operations:		
Football	\$ 4,723,500	\$ 4,650,000
Men's Basketball	2,320,000	2,400,000
Women's Basketball	1,285,000	1,385,000
Wrestling	446,000	450,000
Other Sports	4,008,000	4,035,000
Sports Programs - Operations:	12,782,500	12,920,000
Sports Program Support Units:		
Sports Nutrition	4,085,000	4,200,000
Medical	995,000	1,100,000
Coaching Video	370,000	400,000
Sports Medicine	528,000	600,000
Academic Services	300,000	300,000
Other	637,000	727,000
Sports Program Support Units:	6,915,000	7,327,000
Internal Operations:		
Admin Operations	1,620,000	1,629,000
Flight Services	450,000	760,000
IT Operations	835,000	825,000
Other	380,000	355,000
Internal Operations:	3,285,000	3,569,000
Salaries & Benefits	39,979,016	42,735,248
Scholarships	9,402,640	9,799,836
External Operations	3,339,000	3,440,000
Facilities & Events	15,855,000	13,367,000
Postseason	1,335,000	1,335,000
Debt Service	9,137,694	12,352,323
Capital Projects/Def Maint	9,467,000	7,333,000
TOTAL EXPENSES	\$ 111,497,850	\$ 114,178,407

ISU Residence System

The proposed Residence System budget remains unchanged from the preliminary budget received by the Board in February 2024. Based on enrollment and returning contract projections, a projected occupancy of 10,258 students (312 more students than budgeted for FY 2024) was used in preparing the FY 2025 budget. The occupancy, approved room and board rates, and expected changes in other revenues are expected to generate \$8M in incremental budgeted revenue to meet higher operating costs and fund needed capital improvements.

**Iowa State University
Residence System Proposed Budget 2024-25**

	Budget 2023-24	Proposed Budget 2024-25
OPERATIONS		
Revenues	\$ 99,122,597	\$ 107,616,524
Expenditures for Operations	74,180,619	80,140,502
Net Revenues	24,941,978	27,476,022
% of Revenues	25.2%	25.5%
Debt Service (due July 1)	15,202,033	14,675,440
Net After Debt Service	\$ 9,739,945	\$ 12,800,582
% of Revenues	9.8%	11.9%
Debt Service Coverage Ratio	164%	187%
University Overhead Payment	\$ 4,428,077	\$ 4,428,077
Overhead as % of Expenditures	6.0%	5.5%
FUND BALANCES (June 30)		
Improvement Fund	\$ 9,477,687	\$ 14,244,512
System Fund	17,389,874	14,341,949
Subtotal--Voluntary Reserves	26,867,561	28,586,461
Bond Reserve Fund	13,190,924	13,190,924
Subtotal--Mandatory Reserves	13,190,924	13,190,924
Total Fund Balances (June 30)	\$ 40,058,485	\$ 41,777,385
REVENUES AND EXPENDITURES DETAIL		
Revenues		
Contracts	\$ 83,724,589	\$ 90,907,352
Interest	155,000	555,000
Other Income	15,243,008	16,154,172
Total Revenues	\$ 99,122,597	\$ 107,616,524
Expenditures for Operations		
Salaries, Wages & Benefits	\$ 37,842,384	\$ 40,883,509
Cost of Food or Goods Sold	12,647,495	13,279,870
Other Operating Expense	11,539,168	12,444,795
Utilities	8,566,372	9,054,182
Repairs & Maintenance	3,585,200	4,478,146
Total Expenditures	\$ 74,180,619	\$ 80,140,502

FY 2025 BUDGETS – UNIVERSITY OF NORTHERN IOWA

During the FY 2025 budget development process, the university remains committed to the university’s budget principles developed in partnership with the shared governance groups and the President’s Budget Advisory Committee.

These principles are:

- Focus on student success and invest in the long-term health of the university;
- Honor UNI’s processes with shared governance and with bargaining units;
- Ensure transparency and inclusion of ideas; and
- Ensure investments, reductions, and reallocations are strategic.

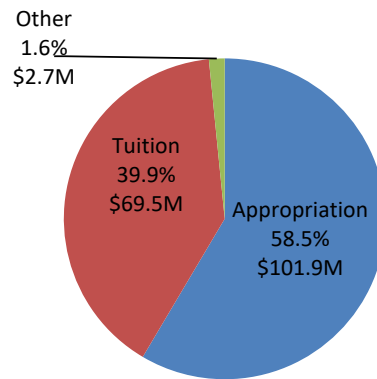
These principles guided leaders at all levels of the University throughout FY 2025 budget development, while remaining focused on the success of students and protecting the personalized experience that defines a UNI education.

UNI FY 2025 General University Operating Budget

State appropriations comprise more than half (58.5%) of UNI’s proposed FY 2025 General University operating revenue budget with 40% being tuition revenue. Projected changes in these revenue sources, as well as indirect cost recoveries and interest income, result in a \$7.1 million increase in revenue, or 4.2% more than the FY 2024 budget.

	UNI	
FY 2024 Budget	\$ 167.1	million
Revenue Changes:		
Base Appropriation	2.5	million
Tuition	4.5	million
Other Revenues	0.1	million
Revenue Change	7.1	million
FY 2025 Budget	\$ 174.2	million

UNI General University FY25 Revenue Budget



After being flat-funded for FY 2024, the Iowa General Assembly approved a \$2.5 million increase (2.5%) in SUI’s General University appropriation for FY 2025.

At its June 2024 meeting, the Board approved a 2.0% tuition increase for all student categories. With projected enrollment and the approved rates, FY 2025 tuition revenues are \$4.5 million more than the previous year’s budget.

Indirect cost recoveries from sponsored program funding, interest income, and sales/service revenue are budgeted to increase \$0.1 million for FY 2025.

In addition to the ASFCME agreement (3.0% increase), eligible merit employees will also receive a 2% merit increase. The voluntary agreement reached with UNI-United Faculty provides a 3.0% increase to the base wage/minimum salary rate beginning on July 1, 2024 (FY 2025). Professional & scientific staff and institutional officials’ salaries are budgeted to increase 3.2% for FY 2025.

The university has increased the student aid budget by \$1.2 million from an expected enrollment increase and the approved tuition rates.

The \$174 million General University budget allocated by function is shown below. Expenses related to instruction, academic support, and scholarships and fellowships, comprise approximately 55% of all general university expenses.

General University Spending By Function
(\$ in thousands)

	FY 2025	% Total
Instruction	54,622	31.4%
Research	95	0.1%
Public Service	1,568	0.9%
Academic Support	25,178	14.5%
Student Services	9,738	5.6%
Institutional Support	38,868	22.3%
Operations & Maintenance of Plant	28,726	16.5%
Scholarships & Fellowships	15,367	8.8%
Total	174,162	100.0%

UNI FY 2025 Special Purpose Operating Budgets

The following table lists UNI’s special purpose units that received state operating funding for FY 2025. All special purpose units were flat-funded for FY 2025. The following pages contain unit descriptions and budgets for these units.

<u>UNI SPECIAL PURPOSE UNITS</u>	<u>STATE APPROPRIATIONS</u>		<u>Difference</u>
	<u>FY 2024</u>	<u>FY 2025</u>	
REAL ESTATE EDUCATION	123,523	123,523	-
FOUNDRY 4.0 CENTER	394,321	394,321	-
ECONOMIC DEVELOPMENT	1,466,419	1,466,419	-
EDUCATORS FOR IOWA	1,500,000	1,500,000	-
JPEC	41,666	41,666	-

➤ UNI – Real Estate Education

UNI’s Real Estate Education program prepares students for careers in commercial and residential real estate, including land development, asset management and finance.

As the only program of its kind in Iowa, UNI real estate graduates develop a strong connection to the state economy, with over 70% employed in Iowa. In careers as lenders, brokers, developers, appraisers, property managers and attorneys, they are a key component of economic development in both rural and urban communities.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	123,523
EXPENDITURES	
Salaries/Benefits	123,523

➤ UNI – Foundry 4.0 Center

UNI’s Foundry 4.0 Center is North America’s best equipped, university-based technology-based casting research and service center in the country. Through the Center’s applied research and direct industry assistance, many of the barriers to technology adoption have been removed, resulting in enhanced competitiveness of the Iowa industry supply chain. Success was proven by the growth of 3D sand printers with Iowa achieving the highest concentration of 3D sand printers of any state. Recently the Additive Manufacturing Center has been working with foundries and their supply chains on Manufacturing 4.0 efforts in the areas of automation, sensors, Internet of Things, investment casting technologies, and developing the next generation of 3D sand printers. The ongoing funding supports staffing, equipment, and technology deployment. UNI’s innovative casting technologies support the needs of original equipment manufacturers and their supply chains in the areas of aerospace, agricultural machinery, transportation, defense, and other manufacturing sectors.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	394,321
EXPENDITURES	
Salaries/Benefits	316,831
Supplies and Services	16,682
Equipment	60,808
TOTAL EXPENDITURES	<u>394,321</u>

➤ UNI – Economic Development

Four UNI centers or outreach programs have received direct economic development appropriations - the Institute for Decision Making, Metal Casting Center, Advance Iowa and the Family Business Center. These programs provide valuable, ongoing economic development support to communities, small- and medium-sized businesses, entrepreneurs, and manufacturers across the state. A year ago, UNI received an additional \$400,000 for FY 2024 to support expansion of the growing Family Business Center and the Institute for Decision Making. The Family Business Center plays a critical role in supporting Iowa’s family-owned businesses of all sizes and regions. Another focus of the expansion is to support economic developers in the pursuit of Manufacturing 4.0, the innovation economy, and to address workforce issues. UNI’s intent is to help Iowa not only remain competitive, but to grow Iowa’s economy. UNI’s economic development programs served approximately 3,500 unique business clients in the past year and provided economic development services in all 99 Iowa counties for the 23rd consecutive year. UNI outreach programs leverage each dollar of direct state appropriations with five dollars of support from federal sources, grants, and fees for service.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	1,466,419
EXPENDITURES	
Salaries/Benefits	1,367,966
Supplies and Services	<u>98,453</u>
TOTAL EXPENDITURES	1,466,419

➤ UNI – Educators for Iowa

UNI has a strong legacy of providing Iowa’s public and private schools with educators. Currently, more than 10,000 educators in Iowa can trace their path back to a UNI education. That represents 22% of Iowa’s elementary and secondary education professionals. With 450 to 500 graduates each year for the past 10 years, UNI’s educator preparation program is the largest in the state. Future teachers make up one-fourth of the undergraduate enrollment at UNI, which benefits the entire state since 89% of teacher education graduates from UNI stay in Iowa to work after they graduate. All 99 counties in Iowa and 99% of Iowa’s school districts employ UNI-educated teachers. The funds will help support the growing teacher shortage in the state by providing scholarships for students in this high demand field.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	1,500,000
EXPENDITURES	
Aid to Individuals	1,500,000
TOTAL EXPENDITURES	1,500,000

➤ UNI – John Pappajohn Entrepreneurial Center (JPEC)

UNI’s JPEC empowers and supports entrepreneurs and innovators at UNI, in the Cedar Valley and throughout Iowa. JPEC is a centralized hub where Iowa entrepreneurs can find resources, explore programs, collaborate with peers and the community, and develop their new or existing ventures.

The appropriation received for the John Pappajohn Entrepreneurial Center provides additional funds for pitch competitions, purchasing specialized technology for student entrepreneurs, travel expenses for students to attend conference and/or competitions, possibly a part-time hire and/or student labor to assist in the RJ McElroy Student Business Incubator and the ability to fund student entrepreneur opportunities as they arise.

RESOURCES	<u>FY 2025 Budget</u>
Appropriations	41,666
EXPENDITURES	
Salaries/Benefits	26,135
Supplies and Services	<u>15,531</u>
TOTAL EXPENDITURES	41,666

UNI FY 2025 Restricted Budget

UNI's restricted budget includes auxiliary enterprises, capital appropriations and revenues, and expenditures from university units and operations that do not receive direct state appropriations. Major auxiliary enterprise operations include the residence system, athletics, Maucker Union, Fieldhouse Operations (UNI-Dome/McLeod Center), Gallagher-Bluedorn Performing Arts Center, Wellness Recreation Center and the Student Health System.

The proposed FY 2025 Restricted Fund Budget also includes the following state appropriations:

- Tuition Replacement \$ 3.30 million
- Industrial Tech Center \$ 3.85 million
- Innovation Fund \$ 0.90 million

UNI Athletics

The University of Northern Iowa's FY 2025 proposed athletic budget provided on the following page projects revenues of \$14.7 million.

Since UNI Athletics does not receive substantial revenues from conference distributions and other sources, and similar to other comparable universities, the General University provides athletic support for scholarships and operations. The FY 2025 athletic budget includes \$3.26 million in operational support, \$1.28 million for scholarships, and one-time support of \$485,000 from the University.

Sports income for football includes game guarantee revenue resulting in a budgeted revenue increase when compared to the FY 2024 budget. Conversely, men's basketball has no game guaranteed revenue on the schedule at this time. Marketing revenues are reduced for FY 2025 and are reflective of the terms in the new Learfield contract.

Scholarship costs of approximately \$4.6 million for the equivalent of 190 scholarships are included in the applicable sports expense lines. The scholarship amount also includes a cost of attendance stipend for men's and women's basketball, and women's volleyball scholarship athletes for academic supplies, transportation and some personal costs as calculated by the financial aid office. The annual stipend amounts are budgeted at a total annual cost to Athletics of approximately \$96,000.

Across team and administrative accounts, Athletics provided salary increases consistent with the campus across-the-board P&S percentage. Various team and administrative operating budgets incurred a slight reduction. Aid accounts for headcount teams were adjusted to reflect anticipated increased campus tuition and room/board expenses.

The UNI athletic department purchases services that benefit numerous entities within the University. These include in part, tuition and room/board from scholarship payments, business services, public safety, marketing and utilities. Athletics projects to pay \$4.8 million in FY 2025 to these University entities for the services.

University of Northern Iowa
FY 2025 Proposed Athletic Budgets

	FY 2024 Original Budget	FY 2025 Proposed Budget
INCOME		
Football	1,147,500	1,245,982
Men's Basketball	680,800	342,250
Men - All Other Sports	109,000	88,136
Women - All Sports	156,000	152,300
Subtotal - Sports	2,093,300	1,828,668
Other Income		
Student Activity Fee	1,681,868	1,793,176
University Support for:		
General Athletics Operations	3,259,805	3,264,000
Scholarships	1,283,481	1,283,481
One-Time	550,000	485,000
Alumni/Foundation Support	1,720,000	2,351,131
Athletic Marketing	2,283,500	1,247,000
Athletic Conf/NCAA Support	1,212,400	1,313,470
Novelties - Outings	325,001	196,000
General	439,000	900,000
Subtotal - Other	12,755,055	12,833,258
TOTAL INCOME	14,848,355	14,661,926
EXPENSES		
Men's Sports		
Football	3,762,816	3,819,405
Basketball	2,687,684	2,734,486
All Other Men's Sports	1,373,408	1,395,977
Subtotal - Men's Sports	7,823,908	7,949,868
Women's Sports		
Basketball	1,333,125	1,441,856
Volleyball	950,441	1,023,947
All Other Women's Sports	2,516,740	2,545,106
Subtotal - Women's Sports	4,800,306	5,010,909
Other Expenses		
Athletic Training	95,000	95,000
Administration & General	1,717,736	1,314,357
Athletic Marketing & Sports Info	411,405	291,792
Subtotal - Other Expenses	2,224,141	1,701,149
TOTAL EXPENSES	14,848,355	14,661,926

UNI Residence System

The proposed Residence System budget remains unchanged from the preliminary budget received by the Board in February 2024. Based on enrollment and returning contract projections, a projected occupancy of 3,200 students (84 more students than FY 2024) was used in preparing the FY 2025 budget. The occupancy, approved room and board rates and expected changes in other revenues are expected to generate \$2.8M in incremental budgeted revenue to meet higher operating costs and fund needed capital improvements.

**University of Northern Iowa
Residence System Proposed Budget 2024-25**

	Budget 2023-24	Proposed Budget 2024-25
OPERATIONS		
Revenues	\$ 31,691,941	\$ 34,469,825
Expenditures for Operations	25,172,370	26,743,782
Net Revenues	<u>6,519,571</u>	<u>7,726,043</u>
% of Revenues	20.6%	22.4%
Debt Service (due July 1)	4,111,831	4,080,831
Mandatory Transfers	300,000	300,000
Net After Debt Service & Mandatory Transfers	<u>\$ 2,107,740</u>	<u>\$ 3,345,212</u>
% of Revenues	6.7%	9.7%
Debt Service Coverage Ratio	159%	189%
University Overhead Payment	\$ 637,839	\$ 637,839
Overhead as % of Expenditures	2.5%	2.4%
FUND BALANCES (June 30)		
System Fund	13,132,523	14,089,239
Subtotal--Voluntary Reserves	<u>13,132,523</u>	<u>14,089,239</u>
Bond Reserve Fund	4,562,801	4,562,801
Total Fund Balances (June 30)	<u>\$ 17,695,324</u>	<u>\$ 18,652,040</u>
REVENUES AND EXPENDITURES DETAIL		
Revenues		
Contracts	\$ 27,940,344	\$ 30,516,982
Interest	380,000	380,000
Other Income	3,371,597	3,572,843
Total Revenues	<u>\$ 31,691,941</u>	<u>\$ 34,469,825</u>
Expenditures for Operations		
Salaries, Wages & Benefits	\$ 13,125,989	\$ 13,403,767
Cost of Food or Goods Sold	3,548,744	4,117,805
Other Operating Expense	3,497,275	3,751,899
Utilities	3,652,612	3,933,761
Repairs & Maintenance	1,347,750	1,536,550
Total Expenditures	<u>\$ 25,172,370</u>	<u>\$ 26,743,782</u>

FY 2025 BUDGET – BOARD OFFICE

The Board Office operating budget is supported by state appropriations and institutional support. The FY 2025 state appropriation of \$764,642 remained flat with the prior year.

BOARD OFFICE BUDGET

	<u>FY 2024</u>	<u>FY 2025</u>
Revenues		
State Appropriations	764,642	764,642
Institutional Reimbursements	3,636,710	3,862,857
Principal Demutualization	<u>2,648</u>	<u>2,647</u>
Total Revenue	4,404,000	4,630,146
Expenses		
Personnel & Board per diem	3,241,437	3,454,959
Travel	78,000	75,000
Office Supplies and Printing	30,000	30,000
Dues	45,000	45,000
Advertising	500	500
Communications	41,040	41,040
Outside Services & Repairs	136,500	136,500
State Audit	18,000	21,000
IT Services	68,805	100,607
Office Equipment & Furnishings	27,718	-
Office Space	137,000	140,000
Educational/Training Expense	30,000	30,000
Special Services	<u>550,000</u>	<u>555,540</u>
Total Expenses	4,404,000	4,630,146

FY 2025 BUDGET - LAKESIDE LABORATORY

The Iowa Lakeside Lab Regents Resource Center (Lakeside Lab) is owned by the state of Iowa and operated by the Board of Regents. Lakeside's 147-acre campus is located on scenic West Okoboji Lake, on Little Miller's Bay. Since 1909, the bay and adjacent natural areas serve as outdoor classrooms for Lakeside's university courses and outreach programs.

The mission of Lakeside Lab is to provide facilities and programming as a field station and community resource to support scientific education, research, and outreach programs of the Regents universities. Lakeside Lab's FY 2025 \$1.0 million budget is provided below.

IOWA LAKESIDE LABS REGENTS RESOURCE CENTER	FY24 Estimates	FY25 Budget
REVENUE		
Regent university allocation	592,061	621,663
Room and Board	81,147	75,000
Center revenue	94,048	143,500
Friends & Other Support (grants)	205,950	206,535
Carry forward	-38,655	-42,574
TOTAL REVENUE	934,551	1,004,124
EXPENDITURES		
Salaries and benefits	615,374	575,288
Travel and hospitality	57,033	62,400
Supplies and Other	47,708	37,875
Utilities	64,093	85,000
Maintenance and repairs	114,929	157,707
Equipment	27,344	35,000
Marketing	-	500
Scholarship Expense	50,644	50,354
TOTAL EXPENDITURES	977,125	1,004,124